

INTERNATIONAL

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Milan's Piazza del Duomo after a nightlong storm covered it with a mantle of snow. Weather story Page 2.

## Carter Reasserts Israeli Camps Are Illegal

### Settlements Issue Bridgeable, Sadat Aide Says

By Thomas W. Lippman  
CAIRO, Jan. 12 (UPI)—The Israeli delegation to the joint military committee with Egypt told the Egyptian side today why and where Israel considers itself vulnerable and what kind of protection it wants as part of a peace agreement.

In Washington, President Carter, saying that his views coincide almost exactly with those of Egyptian President Anwar Sadat, repeated today the U.S. assertion that the Israeli settlements in occupied Arab territory are illegal. United Press International reported.

Mr. Carter said, however, "It is not for us to decide the specific details of a Middle East settlement."

After their meeting, the defense ministers of the two nations, Moshe Weizman of Israel and Mohammed Abdel-Ghany Gensy of Egypt, met together and told newsmen that long, difficult negotiations lie ahead but the gap between what Israel wants in the Sinai and what Egypt can give is bridgeable.

Changed Atmosphere  
The joint statement, while vague, marked another of the psychological breakthroughs that have transformed the atmosphere of the Middle East since President Sadat went to Jerusalem in November.

A bilateral communiqué issued after today's five hours of committee talks said that Gen. Weizman would be "flying home for consultations" and would return in a few days, the Associated Press reported.

By listening courteously to the Israeli presentation and responding with counterproposals, Egypt has for the first time shown itself ready to take Israel's security concerns seriously, to accept them as genuine instead of dismissing them as a cover for Zionist territorial ambitions.

British Firemen Accept Offer, Vote to End 2-Month Walkout

LONDON, Jan. 12 (UPI)—Britain's 35,000 striking fire-fighters voted today to end their two-month walkout and accept a 10-per-cent raise, only a third of the amount they sought.

Delegates representing the 33 regional fire brigades decided by an almost 3-to-1 margin to resume work Monday morning.

Fights, smoke bombs and several arrests marred the balloting at a conference in Bridlington, Yorkshire.

About 150 militant firemen who arrived in chartered buses shouted "rat" and "scab" at the five brigades general-secretary, Terry Parry, as he entered the hall. Some tried to hit him but the police intervened.

Scuffles With Police  
An orange smoke bomb was thrown into the foyer before voting began and militants scuffled outside with police and fire-fighters in favor of returning to work.

The old, ritual Egyptian response to Israeli expressions of concern about security—that they were trumped up to give Israel an excuse to keep the territories occupied in the 1967 war—was not heard today after a meeting in which Israel's chief of staff, Gen. Mordechai Gur, made what Gen. Gansay called "a presentation of Israel's security problem."

'Genuine Way'  
Gen. Weizman said that "what Gur presented this morning was received in the genuine way that it was delivered. Obviously there are things that are not accepted and things to be discussed. This is what we are here for."

While Gen. Weizman declined to go into details, he indicated that peace between Egypt and Israel involves much more than just a prompt and unilateral Israeli withdrawal from the Sinai peninsula and the Gaza Strip.

Gen. Gur's presentation, he said, ranged over the vulnerability of Israel's vital shipping lane in the Strait of Tiran, the isolation of the port of Haifa on the Gulf of Aqaba and the need for "some sort of Israeli presence" at the entrance to the gulf, "especially if the presence in Sharm el Sheikh will be changed from what we have today."

He said that the Israelis were asking for "buffer zones, security areas and the possibility of various types of military areas," as well as the right to keep some armaments in the Sinai and for some assurances about what Egypt would do if another Arab country started a war with Israel.

Gen. Weizman also said that Israel had decided not to install any new settlements in the Sinai now but to "strengthen" those already there, which Egypt wants dismantled.

Border Issue  
The Israeli defense minister also said that "all borders can be argued about and discussed," a reference to suggestions that Israel might offer to trade Egypt some of the territory in the Negev.

Suppliers of Nuclear Material  
15 Countries Set Rules to Stop A-Proliferation

By Don Oberdorfer  
WASHINGTON, Jan. 12 (UPI)—The United States, the Soviet Union and the 13 other nations that supply the world's nuclear equipment and materials yesterday made public an agreement to block the spread of atomic weapons.

The nuclear-supplier nations, which negotiated the arrangements during semi-secret meetings in London, simultaneously submitted their joint sales guidelines to the International Atomic Energy Agency in Vienna, according to State Department officials.

The document is not a formal international agreement, but each of the 15 countries agrees to abide by its rules in selling atomic supplies and unambiguous consent is required for any changes.

The guidelines are the first publicly acknowledged product of the "suppliers' club" meetings, which began in April, 1976. They were spurred by concern over India's atomic explosion in 1974.

The meetings initially were highly confidential because France, a key supplier nation, threatened to walk out if the discussions became known.

Less Stringent  
The international rules for atomic sales are less stringent in some respects than rules formulated individually by several of the nations involved, including those for the United States now pending in Congress.

However, Joseph Nye, the State Department's nuclear proliferation expert, said that publication of the guidelines is an important step and that moves toward agreement on more stringent rules are expected later this year.

The ground rules cover the transfer of all nuclear technology, plant and material covered in a seven-page "trigger list," adopted unanimously, which includes reactors, enrichment and reprocessing plants, enriched uranium and other sensitive nuclear material. To purchase any of these items, an importing country must agree:

• To provide "formal governmental assurances" that the material or facilities will not be used to produce "any nuclear explosive device," whether a weapon or a supposedly peaceful explosion.

• To place the material or facilities under "effective physical protection" to prevent theft or sabotage. The levels of protection required, depending on the sensitivity of the item, have been agreed by the supplier nations.

S. African Aide Cancels N.Y. Trip

PRETORIA, Jan. 12 (AP)—South African Foreign Minister P. W. Botha has canceled his trip to New York this weekend, but he is prepared to attend talks on South-West Africa (Namibia) any time before Jan. 27, a spokesman said today.

The five Western nations on the UN Security Council, the United States, Britain, Canada, France and West Germany, have been trying to get South Africa and the black nationalist South-West Africa People's Organisation together for talks on South-West Africa.

The five had promised to introduce "comprehensive proposals" for settlement of the Namibian question at the meeting. The territory is administered by South Africa under a mandate that has been rejected by the United Nations.

United Press International

Washington Denies Meddling

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WASHINGTON, Jan. 12 (UPI)—The United States stated officially today that it opposes Communist participation in the government of Italy or any other Western European nation but does not regard such a statement as meddling in Italy's affairs.

The statement, reflecting the traditional U.S. view but dramatic in its timing, followed a threat by Italy's Socialist party to team with the Communists and force the Christian Democrats out of power for the first time in post-war history.

Asked whether the Carter administration might contribute funds to the Christian Democratic party, as other U.S. administrations have done, State Department spokesman said, "We do not intend to get involved in the way you suggest."

"Recent developments in Italy have increased the level of our concern" about rising Communist power in Western Europe, said the policy statement released at a State Department briefing.

"Our Western European allies are sovereign countries and, rightly and properly, the decision on how they are governed rests with their citizens alone," it continued. "At the same time, we believe we have an obligation to our friends and allies to express our views clearly... We do not favor such (Communist) participation and would like to see Communist influence in any Western European country reduced."

Citing the "profound democratic values and interests" shared by the United States and Italy, the statement said, "We do not believe that the Communists share those values and interests."

Asked whether this statement in itself did not constitute interference in Italy's political affairs, State Department spokesman John Trautman said, "No, I don't think it does."

"As we have said before, we don't intend to involve ourselves in the internal political processes by which people are governed and that is certainly and completely true of the Italian situation."

The U.S. government summoned its ambassador, to Italy, Richard Gardner, home for consultations on Italy's political situation earlier this week. Mr. Gardner has met with President Carter, Secretary of State Cyrus Vance and key congressional leaders.

Pravda Backs Italy Reds  
MOSCOW, Jan. 12 (UPI)—Pravda today supported the Italian Communist bid for a role in a new "emergency" government and accused the United States of trying to prevent it.

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a leader of the Eurocommunist movement. Today's Pravda commentary put aside those disagreements and accused the United States of "outside interference in Italian affairs."

"What causes particular anxiety in Italy," Pravda went on, "are reports... saying that Washington expresses unequivocal 'concern' over the course of events in Italy."

Kissinger Cites Concern  
WASHINGTON, Jan. 12 (AP)—Former U.S. Secretary of State Henry Kissinger, in an interview

released yesterday, predicted "grave consequences for the entire West" if "the slide toward Communism" in Italy is not halted.

"The Italian Communist party has not broken with the Soviet Union on a single foreign policy question which involves a conflict with the United States," he said.

A Communist role in the Italian government, he said, would create a situation in which the West would find itself "with an ally which is at best unreliable and which may even take the Soviet side in a crisis."

He added that Italy, in permitting the Communists to participate in government, would run the risk of destroying its democratic system.

"It is inconceivable to me that Communists, convinced they represent inevitable historical progress, would consider being voted out of office," Mr. Kissinger said. "They would have all the less reason to do so if they are in the process of undermining systematically the institutions around which the resistance to them could rally."

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## After Barring Communist Role

### Andreotti Said Ready to Quit As Top Party Chiefs Confer

ROME, Jan. 13 (UPI)—Leaders of Italy's two major parties, the Christian Democrats and the Communists, held separate talks today after the Christian Democrats rejected a Communist power bid and Premier Giulio Andreotti's resignation was reported imminent.

Political correspondents of several Italian newspapers said that Mr. Andreotti would resign by Monday after 17 months in office. His Christian Democratic Cabinet has survived only because the Communists have not voted against it.

The Christian Democratic leadership voted unanimously last night against giving Cabinet posts to the Communists, whose party secretary, Enrico Berlinguer, is demanding ministries as the price of his continued cooperation. The Communists say that an emergency government of all parties except the neo-Fascist Italian Social Movement is essential to cure Italy's growing economic difficulties.

Mr. Andreotti said that if he is to resign it must be as a result of a vote of no confidence in Parliament.

The Christian Democratic parliamentary group met today to discuss strategy. So did Communist senators. Mr. Andreotti called a Cabinet meeting for tomorrow morning.

Parliamentary sources said that the Communist senators had rejected early elections and continued to press for an emergency government despite the Christian Democratic rejection.

The Socialist party is threatening to form a popular front government with the Communists, ending 22 years of Christian Democratic rule, if the party persists in refusing to share power.

The crisis caused the White House to recall Ambassador Richard Gardner to Washington earlier this week for consultations.

Turkish Premier Plans Loosening Of Ties to NATO

ANKARA, Jan. 12 (UPI)—Premier Bulent Ecevit announced today a government program calling for greater self-reliance in defense because NATO obligations are too costly.

Mr. Ecevit is seeking parliamentary endorsement for his week-old government and the National Assembly is expected to conduct a confidence vote on Tuesday.

The text of the 46-page government program, which Mr. Ecevit read to the National Assembly, said that the administration plans to develop "national defense with our own resources."

The Premier said that the requirements of NATO, of which Turkey is a member, are "beyond the capacity of a single source for arms have been felt." He was referring to the U.S. congressional arms embargo against Turkey because of its invasion of Cyprus.

Promising to remove obstacles to the country's industrial growth, Mr. Ecevit said his government "will seek to rearrange ties" with the European Economic Community, of which Turkey is an associate member. It plans to achieve full membership in 1985.

Women's Movement Ranks Low With British, Italians, Poll Shows

BRUSSELS, Jan. 12 (AP)—Britons and Italians have a comparatively low opinion of women's liberation movements, according to a poll financed by the European Economic Community.

Of 1,800 persons questioned in Britain and Northern Ireland, 33 per cent said they had a rather poor opinion of women's liberation and 12 per cent a very bad opinion. Thirty-nine per cent had a "quite good"



## Concessions Called Unfair

## India Reaffirms Objections To Inspection of Atomic Sites

By William Borders

NEW DELHI, Jan. 12 (NYT).—Prime Minister Morarji Desai reiterated today India's objections to full international inspection of its nuclear installations.

Denying that there had been any change in his position on the issue of safeguards against the development of nuclear weapons, Prime Minister Desai again said that it was unfair to expect concessions from India as long as the big-power arms race continues.

India's acceptance of the safeguards would depend, he said, on basic new disarmament agreements by the nuclear powers, especially the United States and the Soviet Union, since they "have the largest arsenals and are more frequently making explosions."

"If they decide not to have explosions of any kind," Mr. Desai said, "if they decide not to have any further tests of any kind, peaceful or otherwise, and they do not add to their arsenals and also come to an agreement to have gradual reduction with a view to complete destruction of atomic weapons, then there is no difficulty in my accepting the safeguards."

## To End Confusion

At a news conference Mr. Desai said that he was seeking to dispel confusion caused by reports that he had made concessions on the nuclear safeguards in his talks with British Prime Minister James Callaghan, who left India yesterday after a five-day visit.

"I said the same thing to Mr. Callaghan as I said to the American President," he said. "We do not want to have any atomic weapons under any conditions and do not want even to have explosions of any kind."

Last week, during his two-day

visit to India, President Carter also tried to persuade Mr. Desai to accept the international safeguards. He disclosed his lack of success in that effort in a conversation with Secretary of State Cyrus Vance that was recorded without their knowledge by a U.S. television team.

Referring to Mr. Desai, President Carter told Mr. Vance that, when they returned to Washington, "I think we ought to write him another letter, just cold and very blunt."

## Very Warm Letter

Asked today whether he had received that cold and blunt letter, Mr. Desai said, "Well, he has changed it now. I have received a very warm letter of thanks."

India, which created international concern by exploding a nuclear device in 1974, has insisted that it is interested only in the peaceful uses of nuclear power. On this issue, Mr. Desai's policy is the same as his predecessor, Indira Gandhi. However, U.S. and British officials seem more inclined to believe Mr. Desai.

But, as Sen. Abraham Ribicoff, D-Conn., said here last week, after discussing the issue with Mr. Desai, "he is one man and he is mortal," and future governments might not feel bound by his pledge.

Mr. Callaghan and Mr. Carter also tried to persuade the Indians to sign the nuclear nonproliferation treaty, but Mr. Desai reaffirmed today that he still considers that out of the question.

India believes that the treaty discriminates in favor of the nations that already have nuclear weapons.

"As long as the nations who want us to sign this have arsenals of atomic weapons, and they go on making explosions and adding to them, how can they ask us to sign?" Mr. Desai said.

On another subject, Mr. Desai disclosed that he is planning tentatively to visit the United States in May, and that Maj. Gen. Zia ul-Haq of Pakistan will visit India soon.

## Meets With Pope

## Dayan Sees Papal Agreement To Israel's Palestinian Plan

ROME, Jan. 12 (UPI).—Israeli Foreign Minister Moshe Dayan said today that he thought Pope Paul VI had accepted Israeli proposals for a solution to the Palestinian problem.

At a news conference following a 55-minute meeting with the Pontiff, Mr. Dayan said: "I said that a just solution should be found for the Palestinian question based on UN Security Council Resolutions 242 and 338 by the countries concerned, which are Egypt, Jordan and Israel, and, on an equal footing, by representatives of the Palestinians from the West Bank and Gaza."

He added, "I think this position is accepted by the Holy Father."

Resolutions 242 and 338 call for Israeli evacuation of Arab territories in exchange for secure and recognized borders.

Mr. Dayan said: "I can't say



Storm-swept waves rise over the ramparts of St. Malo, France, as storms hit Europe.

## Snow Hits North Italy

## Storms Flail Europe; U.K. Toll Is 10 Dead

From Wire Dispatches

LONDON, Jan. 12.—At least 10 persons died and 14 were missing today as gales, driving rain and snow lashed Britain. Parts of continental Europe were choked with snow, glaced by ice and buffeted by heavy seas, but no deaths were reported there.

The British death toll included five killed in road accidents, a 70-year-old woman who drowned in her flooded Cambridge-shire home, a 21-year-old man hiking home in the Scottish mountains and three men whose bodies were recovered after a Greek coaster sank in the North Sea off the British coast.

The 14 missing included four other crewmen from the Greek ship, the Sea Diamond, which went down off Lowestoft. Also lost and being sought after North Sea accidents were five crewmen of the Dutch vessel Holmar I, feared to have sunk off Flamborough Head, and five men who abandoned the Cypriot vessel Gloria.

Heavy seas—lashed by winds of up to 90 miles an hour—battered Belgian, French and Dutch coastal areas, disrupting shipping and sending waves pouring over dikes at Ostende and other Belgian ports.

The storm sank a container ship near the port of West Dunquerque, wrecked a seaside casino near Le Havre and sank a scow near Tournai, but officials at the three French communities reported no casualties.

[The Associated Press said the container ship was later refloated by tugs.]

Elsewhere in Europe, blizzards swept northern Spain, isolating dozens of villages, closing mountain roads and blanketing San Sebastian and Pamplona with a foot of snow.

In northern Italy, snowstorms closed airports and paralyzed most major cities. Among airports shut were those in Milan, Turin, Genoa and Venice. Turin had a 28-inch (70-cm) snowfall.

West German radio stations warned motorists of ice-coated highways in the Harz Mountains and in the Siles and Harz mountains near Bonn. Police said that despite dozens of highway accidents no deaths were reported.

The worst flooding since 1953—when 307 persons died in inundations—hit the east coast of England, invading some London suburbs and causing mass evacuation of up to 90 miles an hour—battered Belgian, French and Dutch coastal areas, disrupting shipping and sending waves pouring over dikes at Ostende and other Belgian ports.

The wind ripped roofs from buildings, broke windows and tossed vehicles around. Fishing boats and other vessels were smashed by the heavy seas. Trees fell across roads and railroads.

The Automobile Association described road conditions in the southeast as "absolutely diabolical—there is snow, ice, rain, fog, surface water and a fallen tree, and driving conditions are terrible."

U.S. Thaw Is Menaced  
CHICAGO, Jan. 12 (UPI).—The deep freeze in the Northern

United States succumbed to moderating temperatures today, but another major winter storm was barreling up from the South-west with ice and snow.

North Texas was under a sheet of ice, and at least one motorist died in many accidents in the state.

The storm dumped tons of snow as it moved through Arkansas, southeastern Kansas and Missouri.

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## Influence Peddling Outlawed by Saudis

By Richard Harwood

RIYADH, Jan. 12 (UPI).—The Saudi Arabian government has announced a decree outlawing influence peddling in government contracts.

The decree also restricts the activities and fees of contract agents who represent foreign businesses in their dealings with the Saudi government.

Among those affected by the decree will be members of the royal family and other Saudis who have made millions of dollars as go-betweens for U.S. and other foreign corporations involved in the \$142-billion development plan now under way here and in other foreign business transactions.

## U.S. Recommendations

The announcement was made this week by Ghazi al-Qusaybi, the minister of industry and electricity. Mr. Qusaybi said that the decree on influence peddling and middleman activities follows the general recommendations made by a U.S. Senate subcommittee that investigated bribes and agent commissions paid overseas by U.S. corporations.

The six-point decree prohibits influence peddling with any government agency, limits agent fees to 5 per cent of a contract price, bans the use of non-Saudi agents, prohibits any agent from representing more than 10 companies, prohibits agent fees on any contract involving military equipment and facilities and on any government-to-government transaction.

The new system also will require that the names of middlemen

be included in all contract proposals and that all middlemen or agents, including members of the royal family, list their clients in public registers.

Mr. Qusaybi said that the decree will eliminate much of the corruption in contracting. "If foreign businesses will cooperate," he said.

## Philips Case

He did not name any of the royal family members affected but one of the sons of Crown Prince Fahd was involved recently in a case concerning Philips Netherlands, a huge Dutch electronics firm. He represented Philips in negotiations for a contract to modernize the telephone system of Saudi Arabia. Philips made a \$6-billion proposal. The government then announced that Philips would get the contract without competitive bidding.

The decision was very controversial and, largely through the efforts of Mr. Qusaybi, was rescinded. Competitive bids were then received from three companies. Philips headed one, American Telephone & Telegraph another, and International Telephone & Telegraph the third.

Each bid was roughly half of the original Philips bid, or about \$3 billion. The contract went to Philips last fall and Prince Fahd's son is said to have made "hundreds of millions" of dollars as his agent's fee.

## Khashoggi Case

Another scandal involved Adnan Khashoggi, a millionaire, who was accused by the Northrop Corp. of demanding \$450,000 to bribe two Saudi generals to

influence defense contracts. Lockheed Aircraft also disclosed that it had paid Mr. Khashoggi \$105 million in "agent's fees" between 1970 and 1975.

Many Saudis, including the family of Ali Alizem, the Saudi ambassador to the United States, have made their fortunes through agent fees.

U.S. businessmen said here last night that the new decree "probably not straight but it could be the beginning of building a wall to insulate contracts from influence peddling."

Two years ago the government announced that agent fees were no longer acceptable in government contracts. They have been eliminated from the \$8 billion in construction projects for the military which are being supervised by the U.S. Corps of Engineers, according to engineer Col. Joseph Bennett.

## Concorde Passed Tests Equal to FAA's, Firm Says

WASHINGTON, Jan. 12 (NYT).

British Aerospace Ltd., a major manufacturer of the Concorde, said here yesterday that the supersonic aircraft has already passed safety tests as demanding as the current examination by the Federal Aviation Administration.

The company was responding to a report in The New York Times (Jan. 12) that the FAA, in tests being conducted on the Concorde, has raised questions about the safety of the plane's hydraulic system.

"British-French authorities and the manufacturers are working to provide the FAA with the necessary data to demonstrate compliance and are confident that the Concorde will be certified by the FAA for U.S. operation," British Aerospace said.

FAA officials, in a report to Transportation Secretary Brock Adams last weekend, said that his complete examinations of the aircraft's hydraulic installations have indicated that it may not meet the agency's standard for independently functioning backup gear in case of operational failure in the main system.

The hydraulic system controls an aircraft's maneuverability in the air and its ability to land and stop.

## Settlements Issue Bridgeable, Sadat Aide Says After Talks

(Continued from Page 1)

desert for the land it has settled in the Sinai.

Gen. Gamasy responded that "the Egyptian borders with Palestine are not open to any bargaining," reflecting the public position taken by Mr. Sadat.

Throughout their hour-long exchange with the press, Gen. Gamasy was more restrained than Gen. Weizman, who while admitting the difficulties, emphasized a determination on both sides to overcome them.

## Church Body Hit By Dollar Crisis

GENEVA, Jan. 12 (UPI).

The World Council of Churches said today that it faces a serious financial crisis because of the "spectacular" drop in the value of the U.S. dollar.

The council, which has 293 member churches, receives the bulk of its income in dollars. German marks and British sterling.

In the last five months, it said, the dollar has dropped 16 per cent in value against the Swiss franc, the currency in which the council pays its expenses. The German mark has fallen 7.9 per cent in the same period.

## Soviet-Agency Talks

MOSCOW, Jan. 12 (Reuters).—Algerian President Houari Boumedienne arrived today and met Soviet leaders for talks focusing on their mutual opposition to Egypt's peace initiative with Israel.

They said Mr. Boumedienne, who arrived from Damascus, shared an identical view on the issue with Premier Leonid Brezhnev, Foreign Minister Andrei Gromyko and the chief Kremlin ideologist, Mikhail Suslov.

## Vietnam Reports U.S. Yacht Sails

BANGKOK, Jan. 12 (AP).

Three U.S. citizens captured three months ago by the Vietnamese were allowed to sail their yacht out of Vietnamese waters today, the official Vietnamese news agency said.

They were reportedly set free Jan. 3 at the Vietnamese port of Vung Tau, but the Vietnamese later announced that stormy seas had kept them in port. The group is Cornelia Dellenbaugh of Vero Beach, Fla., Charles Aitel of Philadelphia and Leland Dickman of Flagstaff, Ariz. The 36-foot yacht is owned by Miss Dellenbaugh, who was sailing it to Borneo from Thailand, where she had been in the Peace Corps for 3 1/2 years, when the yacht was seized.

## 3 Die in German Blast

WOLFFENBUETTEL, West Germany, Jan. 12 (AP).

Three persons were killed and three injured today in an explosion at the pharmaceutical concern of Schering AG, police reported.

## Czech Dissidents Lose an Appeal To Highest Court

PRAGUE, Jan. 12 (Reuters).

The Czechoslovak Supreme Court today upheld the convictions of four dissidents charged with subversion against the state, but reduced the prison term of one of them by a year, dissident sources said.

The court ruled that former theater director Ota Ornest should serve only 3 1/2 years of his 3 1/2-year term for smuggling literature hostile to Czechoslovakia to the West.

The sources said that the public prosecutor urged a reduction of Mr. Ornest's sentence because he had acknowledged his guilt twice on television since the four were convicted in October. Mr. Ornest was the only one who pleaded guilty at the trial.

The three judges, including a woman, confirmed the three-year sentence of journalist Jiri Lederer and suspended jail terms of 14 months for playwright Václav Havel and 17 months for former theater director Frantisek Pavlovsky, the sources said.

All except Mr. Ornest signed the Charter 77 human-rights manifesto.

## 90 Men on Oil Rig Strike for Back Pay

ABERDEEN, Scotland, Jan. 12 (AP).

Ninety oilmen are holding a sit-in strike on an oil platform 330 miles out in the North Sea, it was announced yesterday.

The strike, over back wages the men claim are owed, started Monday after the oilmen were dismissed for work stoppages during the weekend. Anthony Swift, one of four oilmen who flew Tuesday night to Aberdeen as spokesmen for the group, said that management was refusing to speak to the strikers.

## What's playing at the Marriott

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## 15 Countries Agree on Rules To Block Spread of A-Arms

(Continued from Page 1)

countries concerning sanctions. Each supplier also agrees not to undercut any supply cutoff, or other potential sanction, while these contacts are taking place.

The provision which is almost an automatic worldwide cutoff of nuclear materials in case of a nuclear explosion or other violation.

Negotiation of this last provision, according to Mr. Nye, was the major accomplishment of the Sept. 21 suppliers' meeting in London, when agreement on the guidelines was obtained.

The Soviet Union and some other nations have urged the adoption of full-scope safeguards under which a recipient nation would be required to permit international inspection of all its nuclear facilities, no matter how or when acquired.

## U.S. Safeguards

The pending U.S. legislation would require full-scope safeguards as a condition of nuclear purchases from the United States 18 months after the bill becomes law, unless President Carter waives the requirement.

## Cypriot Schools Shut By Teachers' Strike

NICOSIA, Jan. 12 (UPI).

A strike by primary and secondary schoolteachers closed all schools in the Turkish-occupied northern sector of Cyprus today, and a general strike involving all workers and civil servants was feared, the Cypriot radio Bayrak said.

The radio said that the teachers decided to stay on strike until their claims for back pay are met by the Turkish-Cypriot administration. A strike by postal and printing office workers that started 10 days and also continued.

## Guerrillas in Belfast Set Off 10 Explosions

BELFAST, Jan. 12 (Reuters).

Irish guerrillas today launched their biggest offensive in months, setting off 10 bombs in the city. A British government source said that damage could total \$2 million (\$3.6 million).

The bombs coincide with the opening of a debate on Northern Ireland in the Parliament in London, where the government was expected to claim big successes over the guerrillas in the last year.

## 2 Flee E. Germany

HANNOVER, Jan. 12 (Reuters).

Two brothers, 33 and 17, escaped to the West across the heavily mined and guarded East German frontier during the night, border police said here today.



STATE FUNCTION—Mrs. Therese Houphouet-Boigny, wife of the president of the Ivory Coast, and visiting French President Valéry Giscard d'Estaing dancing to open the ball at an official dinner in Abidjan.



## Against Young and Old

## U.S. Panel Charges Age Bias In Federal Social Programs

By Austin Scott

WASHINGTON, Jan. 12 (UPI).—The U.S. Civil Rights Commission said yesterday that there is widespread age discrimination against both the young and the old in 10 of the federal government's major social programs, including Medicaid, legal services and the job-creation and placement programs authorized by the Comprehensive Employment and Training Act.

In a 112-page study that took 15 months, the commission urged Congress to raise the retirement age for workers in federally funded programs from 65 to 70 and to grant federal executives the authority to switch social programs from one state or local agency to another, if the state or local administrators discriminate on the basis of age.

About a fourth of the federal budget now goes into programs for older people, including Social Security, Medicare and pensions of various kinds.

The commission, however, studied programs which are supposed to benefit people of all age groups—food stamps, community health and mental health centers and grants for basic adult and vocational education, among others.

It said that it found unjustifiable age discrimination in all of the programs it studied.

**West Is Given Mondale Vow Over Rights**

By Seth S. King

GRAND JUNCTION, Colo., Jan. 12 (UPI).—Vice President Mondale promised Westerners again yesterday that the Carter administration would never preempt or interfere with their state and local rights to develop their water resources.

This assurance, received with some skepticism by the 500 persons gathered in this farming and mining center, has become the dominant theme of the Vice President's five-day "listen and learn" tour of seven Western states.

"Water is our life blood here. Without it we cannot produce the food and energy resources you are depending on," John Vanderhoof, a former Republican governor of Colorado, told him.

"You say there will be no more federal interference in our development, but contradictions appear," Mr. Vanderhoof said. "We can develop our own water needs, but only if we are given the right kind of federal support."

**Water Needs**

He said that Colorado's streams produce an excess of the state's water needs for only two months a year and during the other 10 do not yield enough.

"We need to expand our water storage capacity, or we cannot develop the coal and uranium resources this nation needs," Mr. Vanderhoof added.

Tuesday night before the Utah Legislature, Mr. Mondale also sought to reassure Westerners angered by the Carter administration's actions on water, the most emotionally charged issue in this Rocky Mountain region where Democrats face hard going in this year's congressional and gubernatorial elections.

"I promise you that the President will never preempt nor interfere with your state and local water rights," Mr. Mondale said.

**Pledge Repeated**

On his arrival here later Tuesday night, he repeated the pledge. But neither in earlier stops in New Mexico and Utah nor here did Mr. Mondale disclose any details of President Carter's new water policy, which has been promised by mid-March.

Secretary of the Interior Cecil Andrus, who is accompanying Mr. Mondale, said earlier that no more federal water projects in the West would be placed on the "hit list" for elimination.

One of Mr. Carter's first acts in office last year was to call for the end of 18 dam and irrigation projects, 9 of which were in the West. Congress later restored funds for 9 of the 18, and the remainder, including 3 in Colorado, are still under study.

them, especially against persons over 65.

"We are shocked at the cavalier manner in which our society neglects older persons who often desperately need federally supported services and benefits," the commission said in a statement accompanying the report.

Commission chairman Arthur Flemming, who also heads the Administration on Aging, went even further at a news conference.

"This has been an eye-opener as far as I am concerned," he said. "It can be described only as insidious and the kinds of reasons that are advanced are just kind of cold blooded. They're inhuman... a lazy person's device for dealing with a very difficult administrative problem."

The study said that administrators gave many reasons for neglecting older people, including the argument that limited funds ought to be invested in the young because they provide a better return on the government's money.

"Such beliefs conflict with the concept of the dignity and worth of the individual," the commission said.

**Bias Examples**

Some examples of the kind of discrimination the commission said it found include:

- Mental health services, "one of the most glaring examples of discrimination on the basis of age." Children under 18 and persons over 65 are "seriously underrepresented," the commission said, often on the grounds that they are harder to deal with than persons aged 25 to 44.

- Employment and Training Act administrators place the highest priority on finding jobs for the most easily employed individuals, generally defined as ages 22 to 44, but in some cases discriminating against those over 34.

- A Federal law makes up only 4 percent of the participants in the adult basic education program, even though they make up at least 35 percent of those eligible.

- Community health centers tend to emphasize preventive health care for younger people.

WASHINGTON, Jan. 12.—The U.S. Army plans to strengthen its forces in West Germany this year by sending several battalions of heavy and medium artillery capable of firing atomic shells.

Further U.S. artillery reinforcements are expected to be sent next year.

Pentagon sources said that the 8-inch Howitzers and 160-mm guns will be taken from U.S.-based Army units. Some of those weapons are capable of being armed with the controversial neutron warhead, if President Carter approves its production. Present ammunition for those guns includes high explosives and certain types of nuclear shells.

U.S. forces in Europe now have about 7,000 war weapons, including bombs, shells and missile warheads.

The artillery reinforcement is part of a major U.S. effort by Mr. Carter and Defense Secretary Harold Brown to shore up Western Europe's defenses.

A significant part of the estimated \$1.5 billion in "real growth" in Army resources to be proposed in Mr. Carter's 1979 defense budget is reportedly earmarked for this purpose.

This appropriation will not be translated into additional military hardware for at least 18 months, and defense officials believe that some short-term measures are needed to beef up U.S. forces facing the Soviet Union in Central Europe.

Last fall, Gen. Bernard Rogers, the Army Chief of Staff, said that "we must sacrifice a bit of unit readiness... here in the continental United States" in order to increase the ability of Army divisions in Europe to meet and blunt any Soviet attack in the critical first 30 days of a European war.

**Artillery Advantage**

Western intelligence has estimated that the Soviet Union enjoys a 2 to 1 advantage in artillery over NATO armies in central Europe. U.S. Army forces, totaling nearly 200,000 soldiers, form the backbone of NATO defenses there.

U.S. Army commanders in Germany have indicated that a shortage of artillery is one of their biggest worries because of a growing Soviet ability to launch a heavy tank-led attack with only a few days of warning.

Massive fire by allied artillery and anti-tank weapons would be required to halt such an attack before it penetrated far into German territory, U.S. experts say.



Mist hovers around the Tidal Basin and Jefferson Memorial during a morning drizzle in Washington D.C.

## Dollar's Stability, Confidence of Allies Cited

## Carter Renews Campaign for Passage of Energy Program

By Robert Sines

WASHINGTON, Jan. 12 (UPI).—Declaring that the stability of the dollar and the confidence of the Western allies are in the balance, President Carter today renewed his campaign to have Congress enact his energy program.

In an opening statement at a televised press conference, the President said that during his trip abroad he was repeatedly told by leaders that they are greatly concerned about whether "we have the national will and resolve to deal with our energy problem" and indicated that a failure to control U.S. oil imports could lead to rapid increases in the price of oil by OPEC nations.

However, Mr. Carter, in answer to questions, said that he had high hopes that the Congress would enact an "acceptable" energy program early this session.

He said that Energy Secretary James Schlesinger had met with Sen. Henry Jackson, D-Wash., chairman of the Senate panel involved in natural gas price legislation, and had gotten Sen. Jackson's assurance that he was determined to break the deadlock over the issue.

The President added that good progress had been made before Congress adjourned for Christmas and that there had been a realization on Capitol Hill of the importance of enacting energy legislation.

Earlier, House Speaker Thomas O'Neill, D-Mass., said he thought Congress could complete action on an energy program and get it to the President's desk by the beginning of March.

In answer to other questions, Mr. Carter said he was surprised by a statement of the National Association for the Advancement of Colored People criticizing his energy proposals and calling for complete deregulation of oil and gas prices.

The President emphasized, as he often has, that his energy proposals provide more than adequate incentive for increased production by the oil and gas companies and added that he did not believe that it was necessary to channel billions of dollars from consumers to the oil companies to increase oil supplies.

During his opening statement, Mr. Carter directly linked the huge U.S. balance-of-payments and balance-of-trade deficits with the heavy U.S. oil imports, adding that this had led to attacks on the dollar and disorder in the international money markets.

**Speculation Assailed**

He further blamed this wave of speculation on lack of confidence in the ability of the United States to enact an energy program.

Asked what he might do if Congress failed to act on energy, the President stressed his belief that the House and the Senate would reach agreement on energy legislation but then added that he might have to impose oil import fees. He said, however, that this would be totally inadequate and expressed the hope that he would not have to take such administrative action.

On the economy, the President said he expected the first half of this year would be marked by strong progress in curbing unemployment and inflation.

In foreign affairs, Mr. Carter accused the Soviet Union of sending "some men" as well as large shipments of arms to Ethiopia in its clash with Somalia.

He said that the head of NATO's Military Committee, Gen. Sir John Hackett, had said that a principal purpose of the neutron warhead would be to cripple Soviet tank columns quickly by killing their crews with intense radiation penetrating their armor plate.

The neutron warhead produces twice the radiation of a conventional nuclear bomb but less than a tenth as much blast power, heat and fallout, limiting destruction.

NATO defense ministers have not taken a position on deployment of the neutron warhead in Europe.

Salisbury, Rhodesia, Jan. 12 (UPI).—Black guerrillas struck within two miles of Salisbury's city limits last night, killing a 15-year-old white boy in an ambush that was one of the closest so far to the capital, the military command said today.

Colin Tilley died instantly as he was shot when he stepped out of the family car in the driveway. His father, Chertson, grabbed the automatic rifle that Colin carried and fired 60 rounds into the surrounding garden and shrubbery. Then, realizing his son was dead, he led his wife, Cynthia, through a neighboring field to safety.

The family's station wagon was riddled with bullets. Colin was killed by a bullet in the head in the first salvo fired by four guerrillas, the military command said.

He was the fourth 15-year-old white to be killed by guerrillas in attacks since Saturday. A 74-year-old grandmother, her son and three other whites also were killed in ambushes and attacks on farms in an apparent stepped up by the guerrillas based in Mozambique to shatter white morale.

The military command said in a communique that a white army corporal, Russell Williams, 34, and a black warrant officer, Elliot Bucheray, were killed in the last few days. Five black civilians and 24 guerrillas were killed in clashes and war-related incidents. Since the beginning of the month nine white civilians have died.

The attacks also appeared aimed at showing Prime Minister Ian Smith the futility of expecting an end to the war if he reaches a peace settlement with moderate, Rhodesia-based black leaders.

Mr. Smith began talks with the black leaders late last year, excluding the guerrilla-backed Patriotic Front and its joint leaders, Robert Mugabe and Joshua Nkomo.

Lord Carver, Britain's resident commissioner-designate to Rhodesia, said today.

**Jail's Holiday Spirit**

MADRID, Jan. 12 (UPI).—All five of the inmates of the Cadiz prison have reported back from a Christmas leave, authorities said today. The five are foreigners who probably have left Spain, the officials said.

He reaffirmed, at the same time, that Cubans were also involved in the Ogaspet region.

"We have taken a position concerning Africa that we would use our influence to bring about peace without shipping arms to the disputing parties and without injecting ourselves into disputes that can be best resolved by Africans," he said.

"The Soviets have done just the opposite," he added.

He said that the canal treaties do not signal U.S. weakness or a U.S. retreat from the world, as opponents have argued.

"Just the opposite is true," he said. "The treaties represent an America that is looking to the future. They are entered into by an America that is confident of its strength and prepared to act as a responsible world power."

He emphasized that the pact, signed by President Carter and Panamanian leader Omar Torrijos last year and now awaiting Senate approval, insure U.S. rights to defend the canal and will not be a financial burden.

**Higher Tolls**

"The treaties require no payments from the U.S. Treasury to Panama, either now or at any time in the future," Mr. Vance said. He noted that canal users will pay for operation of the waterway through 30-per-cent higher tolls.

As for defense rights, Mr. Vance said, "The United States desia, said this week that an internal settlement would not end the war nor would it receive international acceptance."

According to sources close to the talks, Mr. Smith has agreed to accept 37 white seats in the planned 100-member parliament when Rhodesia comes under black rule—abandoning earlier insistence on a "blocking third" of the votes.

The Rhodesian leader called an urgent meeting of his Rhodesia Front party caucus yesterday and received its unanimous backing for his efforts to achieve a peaceful solution.

**Breakthrough Is Seen**

SALISBURY, Rhodesia, Jan. 12 (Reuters).—A major breakthrough is imminent in the Rhodesian settlement talks, informed sources said today.

Sources close to both delegations said that agreement is near on the issue of white minority representation in the parliament of a black majority ruled Zimbabwe.

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**Negotiations Resume In U.S. Coal Walkout**

WASHINGTON, Jan. 12 (AP).—After nearly two weeks without talks, bargaining resumed today between the United Mine Workers and the coal producers toward settling a 37-year-old coal strike.

The resumption of talks by the full bargaining committees followed two days of preliminary meetings at the Federal Mediation and Conciliation Service offices here earlier in the week.

## Somozas Businesses Attacked

## Thousands of Managuans Riot Over Assassination of Editor

MANAGUA, Jan. 12 (Reuters).—Thousands of demonstrators protesting the murder of opposition newspaper editor Pedro Chamorro Cardenal ran wild through the streets here last night.

They stoned police, burned cars and threw firebombs into buildings, including two businesses widely believed to be owned by the ruling Somoza family. National Guardsmen fired tear gas to try to control the crowds.

Mr. Chamorro, 33, who was killed by gunmen who ambushed his car Tuesday, campaigned for three decades against the Somozas, who have controlled Nicaragua for the past 40 years.

An estimated 30,000 persons accompanied Mr. Chamorro's coffin last night to the offices of his newspaper, La Prensa, where it lay in state. They chanted: "Who killed Chamorro?—Somozas." New rioting broke out before the funeral today.

The National Guard, ordered by President Anastasio Somoza to devote all its energies to finding the killers, announced yesterday it had arrested four men responsible for plotting and carrying out the murder.

One of the shotguns used in the ambush had also been recovered, the National Guard said.

**Buildings Burn**

La Prensa's staff, prevented by guardsmen from leaving their office last night, could see buildings and cars burning in the streets. Guard spokesmen blamed the firebombings on terrorists.

The burning buildings included the customs headquarters, the Banco Centro Americano and the controversial plasma-phoresis facility.

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tory which prepares human plasma for export.

Mr. Chamorro had personally attacked the plasma-phoresis operation—believed owned by the Somozas—in La Prensa, describing it as "an inhuman traffic in the blood of Nicaraguans."

Mr. Chamorro, five times jailed and three times exiled under the Somozas, built La Prensa into Nicaragua's largest daily. He emerged as the effective opposition leader in September when he became president of the Democratic Union for Liberation, an anti-Somoza coalition.

**Convict Zooms On Open Road**

UTRECHT, the Netherlands, Jan. 12 (AP).—A 21-year-old Dutchman jailed on fraud and blackmail charges escaped from guards here after getting permission to take a motorcycle license test.

The man was allowed to ride unescorted around the block to become accustomed to the motorcycle he was to use for the test. He did not come back.

**Party Leaders Near Accord on Lisbon Stalemate**

LISBON, Jan. 12 (AP).—Socialist and conservative leaders said today that they have virtually completed an agreement to provide acting Premier Mario Soares with majority parliamentary support for a Socialist-dominated cabinet, and end Portugal's five-year government stalemate.

Observers speculated that an announcement of the agreement was imminent. The Socialists, seeking to balance opposing political forces, also were reported nearing a separate agreement with the Communists.

Although bedridden with the flu most of this week, Mr. Soares appeared ready to meet the Sunday deadline set by President Eanes for a solution to the crisis. Party sources said the accord with the Conservative Social Democratic Center would include economic recovery policy and would allocate a limited number of cabinet posts to conservatives.

**Socialist Arrested**

LISBON, Jan. 12 (UPI).—Police arrested Edmundo Pedro, president of the national television network and a leading Socialist, early today on smuggling charges.

A police spokesman said Mr. Pedro, a deputy in the National Assembly, and his niece, Adelaide, were charged with smuggling electronic equipment and are being held without bail.

**Austria Envoy Fined In 1976 Hunting Death**

VIENNA, Jan. 12 (AP).—Alexander Otto, a former Austrian ambassador to Belgrade, was found guilty on a manslaughter charge today in the death of French Ambassador Pierre Sebillan in a Nov. 6, 1976, hunting accident in Yugoslavia.

Mr. Otto, now this country's envoy to Chile, returned for the court session, at which he was fined 80,000 schillings (\$5,900) for the fatal shooting. It occurred when, at the end of a hunt: organized by the Yugoslav government, Mr. Otto was unloading his rifle and it discharged, with the bullet fatally wounding Mr. Sebillan, 64. Diplomatic immunity prevented Yugoslav legal action against the envoy, and Austria took up the case.

**Soviet Pacific Fleet**

TOKYO, Jan. 12 (Reuters).—The Soviet Union has reinforced its Pacific fleet with two missile-carrying ships, the Japanese Defense Agency said yesterday.

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## Long Drought Hurts Farms In Australia

### Officials Pessimistic On Prolonged Rain

SYDNEY, Jan. 12 (Reuters).—Prospects are dim for an early end to one of Australia's worst droughts in this century, according to weather bureau officials.

They said that under normal conditions of the climate, prolonged rain could not be expected until April, when it would be too late to save a large number of farms. They warned that even if heavy rain falls in the next few weeks it will not be of great benefit because much of Australia's farmland is so dry that some areas have gone without rain for three years.

If prolonged rain does not fall within the next few months, the cost to the nation in crop and livestock losses could be as high as \$1 billion (\$1 billion in U.S. money), David Trebeck, executive director of the Woolgrowers and Graziers' Council, said.

Crop failures have occurred already, and ranchers have started shooting cattle and sheep to conserve feed for the rest of their animals.

The federal government is under increasing pressure to give farmers and ranchers substantial financial aid.

Across large belts of southern and eastern Australia, dammed lakes and reservoirs are empty, crops are shriveled and livestock is weakening.

**Lowest Rainfall Totals**  
Weather bureau officials say that in many areas of the primary producing states of Queensland, New South Wales and Victoria, the rainfall during the last year has been the lowest since records were started late in the 19th century.

Australia's official Wheat Board estimates that the current harvest will be nearly one-quarter below the 12 million tons predicted nearly six months ago, when rain was expected.

The Australian Cattlemen's Union expects that a million animals will be shot because of the drought.

The cattlemen, already hard-pressed by low beef prices and rising costs caused by inflation, have asked the government for welfare payments similar to unemployment benefits to see them through the drought.

Several dozen cattlemen have killed off their properties, calling the drought the final blow in their long struggle to make their operations self-supporting.

Australia's huge sheep flock has not been as seriously affected in number but the dry conditions have caused a drop in the quantity of wool from the undernourished animals.

The drought has also taken a heavy toll on agriculture's other primary industries, which in all accounted for 47 per cent of Australia's total exports of \$5.2 billion last year.

**Over supply Problem**  
Ironically, the drought could lead to a long-overdue restructuring of the beef industry, which has suffered for many years from having too many cattle and not enough markets—a situation that often drove prices below the break-even level for ranchers.

The general secretary of Queensland's Graziers' Association, Arthur Stephenson, has suggested that the drought be used as an opportunity to reduce the number of cattle.

"Drought is a terrible way to get over the over supply situation but it will help the industry overall to become more economic," he said.

City dwellers are already feeling the effects of the drought, with meat prices expected to rise by up to \$20 a pound in coming weeks. There are also fears that reduced milk production could lead to shortages of by-products like yogurt and cheese.



AWAY FROM IT ALL—Skiers glide between bizarre wind and frost created structures some 4,500 feet up on the Arber Mountains of eastern Bavaria. They are thus able to leave the real cares of a less fantastic world behind... for a while.

## Despite Ideological Differences

### Radical Mozambique, S. Africa Retain Ties

By David B. Ottaway

MAPUTO (WP).—The high-tension wires strung across Mozambique hum with power these days for the homes and factories of South Africa's northern Transvaal region.

Mozambique workers still line up by the thousands at labor exchanges around Maputo for jobs in the gold mines of South Africa.

The harbor here is once again filled with South African chrome, iron ore, coal and general cargo, and the business magazines of Johannesburg feature ads and articles urging companies to step up their use of Maputo's port.

At the same time, South African newspapers tell of security forces capturing the first black guerrillas trained in Angola and infiltrated back into South Africa via Mozambique, while Maputo is fast becoming a favorite way station and often terminus for black refugees from South Africa traveling the underground railroad to freedom.

In Maputo, the rumor runs that the government is already beginning to increase its outlays for the defense of its southern border with South Africa.

No two African countries at such ideological and political odds are so closely linked by ties of economic necessity and historical happenstance as Mozambique and South Africa. Any visitor to this land of Marxist revolutionaries dedicated to the black nationalist liberation struggle cannot help but wonder how long it will last.

Part of the answer may come shortly.

**Exchange Earnings**  
Sometime early this year, South Africa will make a decision that may cost Mozambique its single largest source of foreign exchange earnings: the gold acquired by its workers in South African mines under an old pre-independence arrangement with Portugal.

The decision on whether to continue this key South African subsidy to the staggering Mozambique economy, amounting to as much as \$100 million a year, is likely to be as political as it is economic. Pretoria has a lot at stake in its relations with this stridently socialist African state that is committed wholeheartedly to the end of white minority rule throughout southern Africa.

So far, to everybody's surprise, the principle of peaceful co-existence—so important to the rival superpowers as a basis of international relations—also has been applied to the day-to-day dealings of Marxist Mozambique with white-ruled South Africa. By an unwritten accord, the two have put off the day of reckoning in their ideological and political accounts with each other.

While neither side has given an inch to the other in its respective ideology, both have accepted the strange sort of economic partnership born of the former Portuguese colonial era and carried on after Mozambique's independence in June, 1976, with remarkably few alterations.

Only the flood of South African tourists—to the beaches and hotels of Mozambique—is missing from the landscape here. Indeed, few South Africans are seen in Maputo, although South African Airways still has an office and several flights a week between Maputo and Johannesburg. A daily passenger train also runs between the two capitals.

**Complex Relationship**  
Whether this cooperation is expanding or contracting is not altogether clear. The signs point in opposite directions. At the moment at least it persists and this in itself is one of the most fascinating stories of the complex relationship between South Africa and its black-ruled neighbors.

Last summer, a South African weekly, the Financial Mail, was moved to comment that ties between the two nations had actually strengthened in recent months and speculated that some sort of political agreement was underlying the apparent rapprochement.

It quoted the South African Trade Organization as saying business with Mozambique was picking up and that local exporters were re-establishing themselves in the Mozambique market. Getting export credit was no problem, it reported, adding that the Mozambique government was keeping an account with the Bank of Lisbon in Johannesburg.

**Hard Currency**  
Western economists here estimate that Mozambique imports from South Africa may increase from 17 per cent of the country's total imports in 1976, to about 25 per cent last year. Private businessmen here say they have no trouble getting permission and hard currency from the government to buy spare parts and other essentials from South Africa to keep their factories running.

The quantity of South African exports and imports passing through the reviving port of Maputo also is reported to be climbing back slowly toward its pre-independence level of 4.4 million tons a year. Of the 5,070,000 tons of cargo coming and going in July, 1976, 197,000 tons carried South African labels.

Another boost to South Africa-

beginning to increase its outlays for the defense of its southern border with South Africa.

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## Leader's Standing Is Boosted

### Publicity on Hua Replacing Mao in Paper

By Linda Mathews

HONG KONG, Jan. 12.—After dropping some of Mao Tse-tung's most revolutionary policies, China's new leaders have taken "de-Maoization" a step further by dislodging the late chairman from his place of honor on the front page of the People's Daily newspaper.

The top-right corner of the page has traditionally been reserved for quotations from Mao or, on occasion, Marx or Lenin. But twice in the last week the quotation box has been dropped in favor of large photographs of Chairman Hua Kuo-feng, said to be Mao's choice as his successor. On a third day, Mao gave way to a picture of a locomotive.

Analysts here consider the change noteworthy. If only because it is inconceivable that Chinese editors would undertake such a move without the approval of their superiors in the Communist party apparatus.

"This seems to be part of the gradual process of subtly downgrading Mao's importance," a diplomat here suggested.

**Visit to Miners**

As Mao's stock has fallen, Mr. Hua's has risen. Instead of the usual Maoist proverb on the front page, the 5.5 million subscribers to People's Daily one day last week found the broadly smiling countenance of their new chairman, wearing a coal miner's hat and uniform.

The accompanying story, filling two-thirds of the first page, said that, while "other people throughout the country were enjoying the new-year holidays," Mr. Hua had visited the coal miners of the earthquake-devastated Tangshan area to congratulate them on their progress in putting the mines back in operation.

Deep inside a mine, "Chairman Hua kindly invited the deputy heads of the mining area to sit by his side and together they read poems and short essays praising the outstanding deeds of the miners," a People's Daily correspondent reported.

Mr. Hua lavishly praised the workers, but the editors in Peking seemed determined that he should share the spotlight. They reported that production had returned to pre-quake levels in part because of the sympathy and relief efforts extended by Mr. Hua and the rest of the Communist party Central Committee.

Later in the week, Mr. Hua again supplied the quotes from Mao, with a photograph showing him welcoming to Peking the leader of Australia's tiny Marxist-Leninist party. The same day, an entire page inside the paper was used for color reproductions of art works celebrating Mr. Hua's long career as an obscure administrator in Hunan Province. Mr. Hua left Hunan in 1971, but the art work was recent.

**Critics' Praise**

The drawings and paintings, selected from an art exhibition now being held in Peking, was a hit with the art critics. A commentator from the Chinese news agency said: "The artists have caught the spirit of Hua Kuo-feng's fine style of work in carrying out Chairman Mao's revolutionary line... The feeling of Hua's closeness to the masses is well delineated."

This pervasive publicity seems

to be part of a concerted effort to create around Mr. Hua the kind of cult of personality that surrounded Mao. It is striking

only because Mao did not actively encourage such personal adulation until the late 1960s, when his revolutionary reforms depended on support from the Chinese masses.

The spotlight has been focused on Mr. Hua, however, ever since October, 1976, when he had his radical rivals arrested in a mid-night raid and took over as chairman. He may be encouraging the mounting personal publicity because it lends some legitimacy to his still shaky regime. Until last year, Mr. Hua was largely unknown.

—Los Angeles Times.

## People's Daily Opens Space For the People

HONG KONG, Jan. 12

(UPI).—China's official Communist party newspaper launched a letters-to-the-editor column and has urged the Chinese people to send in their criticisms and suggestions.

The official news agency said that the Peking People's Daily column, "Readers' Comments," aims to strengthen the paper's links with the masses.

The first column, the agency reported, included comments from a group from the Chinghsan School in Peking suggesting that the People's Daily go more deeply "into the question of the revolution in education."

By British Caledonian Head

## Low Atlantic Air Fares Held Ruinous for Private Carriers

By Carole Shifrin

WASHINGTON, Jan. 12 (WP).

—The top official of British Caledonian Airways has warned that, unless the United States government reconsiders its international low-fare air policy, company failures will follow.

In a speech to the National Aviation Club Tuesday, Adam Thomson, the airline's chairman and chief executive officer, contended that current U.S. policy appears to be based on a tenet of "simplistic consumerism that 'the lower the fare the better, and let the devil take the hindmost,'" a policy he called "extremely shortsighted and counter-productive."

Such a policy assumes that competition occurs in a free marketplace, he said, but "that is not the real world of international aviation."

The bulk of the carriers on the North Atlantic—where the low-fare competition is taking place—are government-owned and supported, he noted, and many accept losses rather than lose their share of the market, for a host of reasons.

"So in a price war, those who will suffer will be those who pay the penalty for losing money—the private sector, principally, and that includes U.S. operators and those few foreign non-enterprise carriers, like British Caledonian," he argued.

Mr. Thomson contended that "sensible governmental intervention" is needed in international aviation to make sure the consumer is paying enough as well as to make sure the consumer isn't paying too much. He argued that the bulk of the traveling public today is paying less than

## California Rainfall

Eases Water Problem

CORTE MADERA, Calif., Jan. 12 (WP).—Because of heavy rain, the strict water rationing in much of Marin County, north of San Francisco, was substantially eased yesterday, the Los Angeles Times reported.

Since last February residents have been limited to 57 per cent of normal water consumption. They can now use up to 75 per cent of normal water consumption without any appreciable change in their water bills under a new "conservation rate structure" approved Tuesday by Marin Municipal Water District directors.

The artist estimated that the portrait would be worth at least \$100,000 today.



The Graham Sutherland portrait of Winston Churchill.

## Churchill's Wife Destroyed 'Lost' Portrait He Hated

LONDON, Jan. 12 (NYT).—The fate of Graham Sutherland's portrait of Winston Churchill, a matter of speculation for 23 years, was revealed here yesterday. The former prime minister's wife destroyed it because they both disliked it.

Lady Spencer-Churchill, widow of Britain's leader in World War II, died a month ago. Her three executors, including her daughter, Lady Soames, said they "felt it right to announce" the destruction of the painting.

Mr. Sutherland, one of the world's best-known artists, said last night that this was "without question an act of vandalism."

The painting was commissioned by the houses of Parliament and presented to Sir Winston as an 80th-birthday present. It caused much controversy then. Lord Hailsham said at its unveiling in 1954, "It's disgusting. It's ill-mannered, it's terrible." It was never displayed after the presentation.

Sir Winston, who was an accomplished landscape painter, said that the portrait of himself seated and wearing his characteristic bow tie "makes me look half-witted, which I am not."

The artist estimated that the portrait would be worth at least \$100,000 today.

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## DAM AT MORNAGHIA

NOTICE OF PRESELECTION FOR TENDERS

The Société Nationale d'Exploitation et de Distribution des Eaux (S.O.N.E.D.E.) intends to proceed to a preselection of specialized contractors for the erection of a dam—part of a future project for the supply of drinking water for the town of Tunis and the Cap Bon area.

Located 15 kms from Tunis, this dam will involve the creation of a reservoir that will total 13 billion cubic meters.

This project will include:

- 1) A dike measuring 28 meters high and 1,480 meters long. It will necessitate the installation of an embankment area of 1.6 billion cubic meters.
- 2) General related works (the setting of about 4,000 cubic meters of concrete).

The works for the construction of this dam will be part of a project partially financed by the Banque Internationale pour la Reconstruction et le Développement (B.I.R.D.).

Only enterprises belonging to member states of B.I.R.D. and Switzerland will be eligible.

Qualified companies desiring to submit offers may withdraw the tender files at the S.O.N.E.D.E. (Service Marchés) as of January 16, 1978.

Applications for this preselection must be forwarded to the S.O.N.E.D.E. by registered mail with acknowledgement, or be deposited against receipt no later than February 28, 1978, at 23 Rue Jawahar Lal Nehru, Tunis.

Envelopes will mention: "Preselection Barrage Mornaghia."



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## THEATER IN PARIS

## 'Modern' Racine Behind the Times

By Thomas Quinn Curtiss

PARIS, Jan. 12 (IHT).—Jean-Pierre Miquel, responsible for the latest presentation of Racine's "Britannicus" at the Comédie-Française, apparently regards himself as being avant-garde, but he is actually a hundred years behind the times.

He has taken the great 17th-century tragedy of imperial Rome—of Nero's wrestling the ruling power from his mother, Agrippina—and transformed it less into something burning topical than into a lackluster 19th-century shocker. It now suggests an Augier problem play.

It also appears, from his grotesque direction, that he has been studying some preposterous movie about the Nazis—probably "The Damned." "The Serpent's Egg" and others of their order—and has been so impressed by them that he has taken over their costume and tone. In the old-fashioned manner of Victorian novelists, he has added an explanatory subtitle to the title: "La Frise du Pouvoir." Why not in true Bertoldo M. Clay style: "Nero's First False Step."

When the curtain rises we behold Agrippina and Albine clad as Ibsen actresses whispering the situation. Jean-Luc Boutté as Nero sports a Dracula cape; Jacques Sereys as Narcisse might be a luxury hotel receptionist; Francis Huster's Britannicus is in a Prince Albert suit of the diplomatic corps; and Jean-François Rémi, as Burrhus, looks as though he were on his way to the Versailles Peace Treaty conference.

Nero's counsel chamber is appointed with black chairs bearing silver spread eagles. In another episode, Nazi-uniformed officers strut the boards and the strains of "Rosenkavalier" are wafted from the wings. Denise Gence's Agrippina, not to be outdone in this retro circus, resurrects an innovation of Antoine's Théâtre-Libre and turns her head from the audience as she means on a flight of stairs, reciting her lines to the stagehands. Ludmila Mikael, a brilliant young actress, is Junie, Britannicus's bride to be, a victim of the emperor's whim, but neither she nor her competent companions can relieve the monotony of the ill-advised evening.

This must certainly be one of the worst productions of the Racine masterpiece in recent times, and not only the worst but the most ridiculous.

Despite his turning a fine play to dross at the Comédie-Française, Jean-Pierre Miquel displays

Jean Racine, whose tragedy "Britannicus" is being revived at the Comédie-Française.



gifts as both a director and as an actor elsewhere. At the Odéon his sensitive production of Chekhov's "Uncle Vanya," first seen last season, is again on view. The scenery of Henri Oechalin renders the interiors and the exteriors a bit vaguely, but it has a lovely flow.

Miquel is Astrov, the vodka-hardened district doctor, a disillusioned idealist whose sardonic presence brightens the gloom of a Russian country mansion in the 1890s. Henri Virlojeux's Vanya is a proper combination of absurdity and pathos and one that never surrenders to the farcical as some Vanyas have. Hubert Gignoux, as the pompous professor, Françoise Bette, as the appealing Sonia, the neglected, fading flower of the steppes, and Nicole Garcia, as Elena, the professor's beautiful, coveted wife, fit perfectly into the general picture as do Denise Noël, as the old nurse, Marcelle Arnold, as the bookish mother, and Xavier Bouvier, as the

### 'Star Wars' Passes 'Jaws' at Box Office

HOLLYWOOD, Jan. 12 (Reuters).—"Star Wars" has overtaken "Jaws" as the all-time box-office money-maker, the trade magazine Variety has reported.

Variety gave "Star Wars," which was released by 20th Century Fox last May, gross profits of \$127 million against \$121.3 million for "Jaws," which was released in 1975.

humble hanger-on. One is grateful that in this instance Miquel has not reversed his "Britannicus" procedure and costumed these 1890 Slaves as Romans of Nero's reign.

At the Luxembourg, Laurent Terzieff is presenting a double bill of Edward Albee plays. The first is the well-known "Zoo Story," which has enjoyed uninterrupted success since its premiere in Berlin in 1960. It remains its familiarity notwithstanding—a gripping short play. Laurent Terzieff plays the aggressive neurotic who bedevils an innocent passer-by in Central Park, and Yves Gasc is his prey.

The second one-act, "Boite Mao Boite," a more recent Albee exercise in brief form, is exceedingly odd and disconcertingly subterranean. An elderly character woman repeatedly recites "Over the Hill to the Poorhouse" at stage left, while at stage right an actor with smirking Mao make-up smugly delivers "thoughts." At stage center in ship deck chair a socialist globe-trotter complains about the state of the world to a silent co-passenger.

This goes on for an hour to no discernible conclusion and then concludes. The Albee allegory seems almost stubbornly to avoid communication—and perhaps this is its point. Terzieff has directed this quartet of players—Pascale de Boysson, Mimi, Gaull Ratib and Yves Gasc—to be very earnest about it, but they fail to reveal its meaning.

### Oberammergau Voters Oppose Staging of New Passion Play

OBERAMMERGAU, West Germany, Jan. 12 (AP).—The majority of eligible voters in this Bavarian village opposes introduction of a new Passion Play, Oberammergau Mayor Ernst Zwink said today.

Almost two thirds voted Dec. 18 for what some consider an anti-Semitic version of their centuries-old Passion Play. In doing so, they rejected the revised version of a 227-year-old script by Father Ferdinand Rosner, edited this year to remove some passages. The new Rosner version was staged experimentally six times last summer at a cost of about \$500,000. Mr. Zwink said that 2,494 eligible persons went to the polls. After analyzing the results, the organizers found that 1,504, or almost 60 per cent, had opted for the Daisinger version of the play.

Jewish groups abroad have objected that this version, used for the last century and written by Oberammergau priest Alois Daisinger with music composed by village schoolmaster Rochus Dedler, portrayed Jews as solely responsible for the death of Christ.

About 34 per cent of those asked voted for the revised Rosner version, Mr. Zwink said. Another 6 per cent had no opinion or rejected the Passion Play altogether, he said. A final decision on what version the village will play in 1980 will come later this year, Mr. Zwink said. He added that it was unlikely that a decision would be made before the March municipal elections.

The majority of Oberammergau councilors earlier opted for the revised Rosner version, causing a heated debate. They then ordered the public opinion poll.

All actors in the play are local amateurs who thus fulfill a vow taken by villagers in 1634 in thanksgiving for the ending of a plague in 1632. The town has staged the play every 10 years since.

### SHARPS AND FLATS

PARIS—Even though the Palais des Glaces is undergoing repairs this month, trumpeter Woody Shaw will be there Jan. 13 at 8 p.m., while at The Stadium, jazz will be offered on Tuesdays, Wednesdays and Thursdays during January and February, with Raymond Boni and his band there on Jan. 17; the Frank Wright quartet the following night and the Archie Shepp quartet on Jan. 19. Singer pianist Lavelle is appearing nightly at the Hotel Sheraton Bar and Charles Amour is at the Olympia every night through Feb. 5. Ravi Shankar will be at Salle Pleyel Jan. 18 at 8:30 p.m.

A new cabaret-music hall, Le Milliardaire, has just opened in Paris. It's on the same site as the old Sery just off the Champs-Élysées, and the new lavish revue pays tribute to the movie and music-hall stars of yesteryear.

Cajun blues singer Clifton Chenier, continuing his French tour, is in Montreuil Jan. 14; Nâkies, Jan. 17; Mont St. Aignan, at the Faculty des Lettres, Jan. 18 and Angers Jan. 19.

GENEVA—Willie Mabou, replacing "Champion" Jack Dupree, is appearing nightly at the Popcorn Club, Jimmy Gourley and the Redd Foxx trio come in for six days on Jan. 18.

LONDON—Carrie Smith and the Tommy Whitely quartet are at Ronnie Scott's Toots Thielman and the Tony Kinsey quartet open for two weeks there on Jan. 16.

This week's top single record in the United States is "Baby Come Back" by Player, and in Britain, "Mull of Kintyre" by Paul McCartney's Wings.

"Mull of Kintyre" has just passed the sales record set by the Beatles hit, "She Loves You," some 15 years ago. The song, written by McCartney and Denny Laine, has sold 1.8 million copies in Britain, 200,000 more than "She Loves You." On top of the British charts for the past seven weeks, it is also No. 1 in West Germany, the Netherlands, Australia and New Zealand.

As for the United States, the song is doing well, but, surprisingly enough, the flip side, "Girls' School," is doing even better. Dookey Wilton's "As Time Goes By," from the 1945 film classic "Annie Hall," that starred Humphrey Bogart and Ingrid Bergman, has just hit the top charts in Britain and is rising steadily on the "nostalgia" wave there.

FRANK VAN BRARLE

### ARTS AGENDA

Rudolf Nureyev and the London Festival Ballet will be at the Palais des Sports in Paris from Jan. 18 to Feb. 19 with Nureyev's recent production for the company of Prokofiev's "Romeo and Juliet." Patricia Ruzman, Eva Bydolkova and Elisabeth Terabust will alternate in the role of Juliet. Sets are by Edo Frigerio and costumes by Frigerio and Frances Squarcello. Graham Bond will conduct the Festival Orchestra. Performances will be nightly except Monday, with matinees on Sunday.

## Carolingian Plaque

## Met Acquires 'Find of the Century'

By Grace Glueck

NEW YORK, Jan. 12 (NYT).—The Metropolitan Museum of Art has revealed itself as the actual buyer of a rare 9th-century ivory plaque, sold to a London dealer by Sotheby's last month for a record auction price of \$255,000 (\$470,000). The plaque, thought by its former owner to be simply an interesting carved piece of old wood, is hailed by the museum as "one of the major art finds of the century" (IHT, Aug. 20).

Depicting St. John the Evangelist holding a manuscript of his Gospel, the plaque belongs to the "Ada" group of Carolingian ivories, those believed by scholars to have been carved in the palace of Charlemagne in Aachen and named for the Abbess Ada, supposedly a sister of the emperor. A statement by Philippe de Montebello, acting director of the Met, that the plaque is not only "one of the most important works of art" to enter the museum's collection, "but also one of the major art finds of the century," is supported by John Beckwith, keeper of architecture and sculpture at London's Victoria and Albert Museum. "We simply didn't have the cash to bid on it," he said.

Bolt From Blue

Neil Stratford, keeper of the department of medieval and later antiquities at the British Museum, said, "It's a very remarkable, very important and very interesting object, and it came like a bolt from the blue." It is understood that the British Museum was the underbidder on the work, which—despite official reluctance to see it leave England—had to be granted an export license by the British government because it had been in the country for less than 50 years.

The small piece, only 7 1/2 inches high and 3 5/8 inches wide, was totally unknown to medieval art specialists and is not recorded in the definitive book on Carolingian ivories, published by a German scholar, Adolf Goldschmidt, in Berlin in 1914. It was taken to Sotheby's in London last June by a woman who had inherited it from her father, a "modest" dealer in France who had come to England shortly after World War II.

No Idea

According to Sotheby's spokesman, the woman had no idea of the value or origins of the work. The auction house refuses to divulge her name, saying she has asked for anonymity.

The ivory shows a seated St. John holding in his left hand a codex, several whose pages are inscribed in Latin the opening line of his Gospel, "In the beginning was the word." Above the saint's head is his symbol, an eagle. The tableau is framed by an ornamental double arch supported in capitals, above which runs the Latin inscription, "Like the flying eagle, the word of St. John reaches the heavens." The piece was originally examined by experts at Sotheby's, who recognized its importance and consulted outside scholars. Later, it was seen by Metropolitan officials, including Mr. de Montebello, Thomas Hoving, former director of the museum, whose PhD dissertation was on the Ada ivories, and Jack Schneider, curator in charge of the Cloisters, the museum's medieval outpost in Fort Tryon Park, where the new acquisition will be housed.

Ivory plaque depicting St. John the Evangelist.

Only about 50 surviving Carolingian ivories have been reported, of which fewer than 20 belong to the Ada group. The St. John plaque, which Mr. Schneider believes is one of four representing the Evangelists that once decorated a bookcover, is stylistically related to one of the finest of the Ada pieces, a pair of covers made for the Gospels commissioned by the Abbey of St. Nazarius in Lorch, now in West Germany. The covers are divided between the Vatican Museum and the Victoria and Albert Museum.

The plaque is also very similar in composition to the St. Matthew page of the Harley Gospels, the British Museum, an illuminated manuscript that scholars believe was produced in the workshop as the Ada ivories. The Met's medieval department has one other ivory from the Ada group, a "Seated Virgin as a cleric" from the Morgan collection. The "St. John" will be the first Ada ivory to be housed in the Cloisters, which has two ivories from the later Carolingian period associated with the workshop of Charles the Bald. The new piece will go on view in late spring.

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## SENIOR EXECUTIVE JOB GUIDE

Published at the end of the week, this is a compilation of senior level job opportunities from selected publications. Senior level jobs published by the International Herald Tribune through Tuesday automatically appear in this feature. To place an advertisement in "INTERNATIONAL EXECUTIVE OPPORTUNITIES," contact our office in your country (listed on back page). Any questions or comments concerning this feature can be directed to Miss Jeanette Caspari in the Paris office.

JOB TITLE	SALARY	EMPLOYER	JOB LOCAT.	SOME OF THE QUALIFICATIONS	CANDIDATES SHOULD MAKE CONTACT WITH	ADVT. Source
FINANCIAL CONTROLLER & SECRETARY	C. £13,000 + car	Medium-sized Anglo-American public manufacturing Co.	S.W. London	35 yrs. +; high level of professional & managerial ability.	Ref. SMF, Robin R. Whalley, I.A.L., 1 Dover St., London W1X 3PL. Tel.: 01-629 6867/8.	Financial Times 5-1-78
PROJECT FINANCE MANAGEMENT	Highly competitive	International Banking.	London (occasional travel)	30-35; mtdg. & negot. skills gained in dealing with int'l Co. Eng. + other major Eur. lang.	Ref. B1743, ASL, 11 Stratton Street, London W1X 6DB.	Financial Times 5-1-78
HEAD OF FINANCE & ADMINISTRATION	From £15,000 tax free + benefits	Well established British organization.	Middle East	35-45; proven accq. qual.; several yrs. exp. senior finance/administration role.	Ref. 1929/L, E.M. Hall, Ref. Hall, Mitchell & Co., 11 Ironmonger Lane, London EC2V 8AX.	Financial Times 5-1-78
MANAGER INDUSTRIAL TRAINING	Attractive	Major int'l corp.	Brussels	Proven record of success in organizing technical/industrial training.	Ref. H1244/INT, PA, 60a Knightsbridge, London SW1X 7LE. Tel.: 01-235 5060. Telex: 27874.	I.N.T. 5-1-78
INTERNATIONAL BANKING SWITZERLAND	S.F. 110,000 plus bonus	Phillips Brothers Bank AG, Zug.	Zug, Switzerland	35-45; sound general banking knowl.; Euro-market exp.; Ger., Eng., Fr. and/or Span.	Secretary to General Manager, Phillips Brothers Bank AG, Gfellerstrasse 11, CH-6301 Zug.	Economist 7-1-78
MANAGER, PUBLIC AFFAIRS	to £15,000 + car	Major int'l Co.	London	Relevant exp. with broad knowl. of political, econ. & national econ. structures; Eng., Fr.	Ref. 20070/INT, H.W. Fitzhugh, Hoggett Bowens, 5/6 Argyll St., London W1E 6EZ. Tel.: 01-734 6852.	I.N.T. 7-1-78
GENERAL/SALES MANAGER		Cole Laboratories, Inc.	Assand France	Business exp. with min. 3 yrs. sales mngl.	Cole Laboratories, Inc., Avenue des Embles 37, B-1640 Rhode St-Genese, Belgium.	I.N.T. 7-1-78
GENERAL MANAGERS	Open	Int'l Catering Co.		Prof. exp. catering bus.; ambitious & proven managers combining flair of entrepreneur with modern mngl.	Chris Janicovic, Lancdowne, The Mall, London W5 5LS. Tel.: (01) 579 2282. Telex: 933798.	I.N.T. 7-1-78
PRESIDENT EUROPEAN OPERATIONS	Generous compensation package	Prestigious corp. of major importance.	Western Europe country	Mtdg. & profit oriented; broadly creative bus. mngl. bckgd.; Fr., Eng. + Germ.	Box D-5,983, I.N.T., 181 Ave. Charles-de-Gaulle, 92200 Neuilly, France.	I.N.T. 7-1-78
MANAGER MOZAMBIQUE	£15,000 to £17,000	Auto-electrical & diesel fields.	Maputo	Initiative, staying-power & drive to motivate sales, admin. & workshop staff; Port., Eng. or Germ.	Mr. G. Wolkenhuth, P.O. Box 106522, D-2000 Hamburg 1, W. Germany. Tel.: 33 04 52/53.	I.N.T. 7-1-78
FINANCIAL CONTROLLER MOZAMBIQUE	£12,000	National sales & service org.	Maputo	Qual. "contabilista" or similar qual.; Port. + Eng. or Ger.	Mr. G. Wolkenhuth, P.O. Box 106522, D-2000 Hamburg 1, W. Germany. Tel.: 33 04 52/53.	I.N.T. 7-1-78
SALES MANAGER U.S.A.	More than U.S. \$30,000 + car	German int'l active promotion co.	U.S.A.	Mgt. pos. exp. in direct sales; Ger., Eng. up to 35.	Berndtson AG, Rissener Landstrasse 252, D-2000 Hamburg 56.	Frankfurter All. Zeit. 7-1-78
DIRECTEUR DES VENTES EXPORTATIONS	FF. 150,000+	Groupe français, prêt-à-porter féminin de grand luxe.	Paris	Tril. fr., ang., all.; personnalité qualifiée de vendeur, négociateur, animateur; exp. milieu prof.; min. 36.	Ref. 73423/M, Mme Clere, 8444-CEGOS, 33 Quai Gallieni, 92152 Suresnes, France.	Le Monde 10-1-78
CORPORATE FINANCE	In line with best banking practice in Switzerland	Bank of America, NY & SA.	Zurich	Swiss int'l; 30-40; strong bckgd. int'l & investment banking; Eng., Ger. + Fr.	The Manager, Bank of America, P.O. Box 974, Bleichweg 15, Zurich, Switzerland.	I.N.T. 10-1-78
ACCOUNT MANAGEMENT	U.S. \$30,000	Gov't most important int'l banks.	Beirut	30+; min. 5 yrs. exp. as Account Officer with major bank, merchant or int'l; Eng., Arabic.	A. McLaren, Universal McCann Ltd., 18 Howland Street, London W1P 6JD.	I.N.T. 10-1-78
DIRECTOR FINANCE & CONTROL	Excellent compensation	Electronic Co.	West Germany	Many yrs. exp. similar pos.; Eng., Ger. + Fr.; ability to motivate & handle employees.	Box 1,051, I.N.T., Gr. Eschenheimer Str. 43, Frankfurt, Germany.	I.N.T. 10-1-78
INTERNATIONAL AREA DIRECTOR	Good	Int'l mtdg. activities of printing equip. & copiers in Europe.	Federal Republic of Germany	Aggressive, self-motivated; record of proven success; sales achievement; Germ., Eng. +	Bob Dumar, Diella-Glasser GmbH, Justitia Strasse 22, 6000 Frankfurt 1.	I.N.T. 10-1-78



## Bonn Qualifies Support For U.S. Dollar Policy

BONN, Jan. 12 (AP-DJ).—West German Finance Minister Hans Eichel said today that U.S. intervention measures alone are not enough to bring about a basic improvement in the dollar's exchange rate.

## Dollar Surges As N.Y. Fed Enters Market

LONDON, Jan. 12 (AP-DJ).—The dollar surged against the Swiss franc and Deutsche mark late today as the New York Federal Reserve Bank apparently entered the extremely tight market to give its currency a boost.

The dollar went extremely high in the last hour, meaning the Fed was in buying dollars, one leader at a major London bank said. Due to the thin level of trading at the late hour, the central bank authorities probably found it extremely cheap and easy to move the dollar's exchange rate up, dealers said.

This will discourage Europeans on going home short of dollars, commented one leader.

As yet, dealers said, it is not clear whether this signaled a new approach toward intervention by the Fed. But dealers did not rule out the possibility that the Fed may be responding to criticism in banking circles that it had not been intervening aggressively enough.

Against the Deutsche mark, the dollar climbed to 2.1390 DM, up more than 3 points from 2.1383 DM in late Frankfurt trading and 5.4 pfennigs above its intraday low. On the day, the dollar posted a gain of 2.27 pfennigs against the mark.

Few dealers, however, were done at these late levels because most operators had already retired for the evening.

Earlier, the Bundesbank had supplied substantial support, buying \$31 million at the midday fixing.

Against the Swiss franc, the dollar had hit an intraday low of 1.9200 francs before recovering to 1.9750 francs, off 45 points in the day.

The dollar was quoted against the French franc at 4.7200 francs, up 10 points. It rose against the yen to 241.45 yen, up 1.1 yen from late yesterday.

## Public Spending Falls Short Of Target in U.K. in Year

LONDON, Jan. 12 (AP-DJ).—Britain announced today that total public expenditure in the fiscal year ending March 31 would be about \$24.5 billion below the \$50.2 billion estimated before the fiscal year began.

Public expenditure in fiscal 1977-78 is to be \$20.85 billion, or 2.5 per cent above the \$51.22 billion forecast for the current year.

Public expenditure in 1980-81 is expected to increase 2.1 per cent from a year earlier and 1981-82 expenditure will be up 0.8 per cent, according to the government's White Paper on spending, released today.

Since the government is projecting annual growth of about 3.5 per cent in real gross domestic product over the period up to 1982, public expenditure should account for a decreasing share of the full economy if the government's assumptions are correct.

The public expenditure estimates are at 1977 prices. Public expenditure accounted

for about 44.5 per cent of gross domestic product in 1976-77, and this percentage is expected to fall in the current fiscal year. Government officials expect this declining trend to continue through 1982, when it will not fall to the levels of the early 1970s, when government spending was just under 40 per cent of GDP.

The government said its spending plans for the later periods covered by the White Paper are increasingly provisional.

The Treasury is also increasing its contingency reserves to cover unforeseen circumstances. These reserves will total \$750 million in 1978-79 and \$2 billion in 1981-82.

The White Paper said that the "planned growth rate for total public expenditure should be within the prospective growth rate of national income," adding that the government does not intend "to set up plans which go beyond what the economy can safely be assumed capable of sustaining."

The Treasury said two key reasons why expenditure in 1977-78 will not reach projected levels are the government's sale of British Petroleum Co. shares last year, and changes which led to commercial banks having a larger role in financing of export and shipbuilding credits.

The government received about \$500 million from the sale of BP shares, lowering its stake in the oil company to just over 50 per cent from nearly 70 per cent.

## 2-Year Gold Pact Seen Running Out

TOKYO, Jan. 12 (Reuters).—A two year agreement by 10 advanced industrial nations not to increase the total volume of their gold reserves may not be extended beyond the expiry date of Jan. 31, Finance Ministry officials said today.

None of the signatories have so far expressed their desire to extend the agreement, they said.

Bank of Japan officials said the signatories may have been affected by the prospect that revised rules of the International Monetary Fund, adopted in Jamaica in January 1978, may go into effect later this year, freeing members from their obligation to trade in gold at the official price.

## FINANCIAL NEWS AND NOTES

### Thyssen Bids for Budd

Thyssen, the West German steel company has offered to acquire Budd, a U.S. auto components firm, through a merger at a price of \$34 a share. Budd has approximately 7.23 million shares outstanding, putting the value of the offer at \$246.8 million. Budd builds auto body components, chassis, frames, wheel and brake products and rail cars. In 1976, it earned \$27.2 million, or \$4.30 per primary share, on sales of \$1.06 billion. A Thyssen spokesman says the acquisition would provide Thyssen with a broader product range. The spokesman declined to name the U.S. subsidiary of Thyssen that would actually be involved in the merger. Thyssen had said in November that it would probably cut its cash dividend for fiscal 1977 ended Sept. 30 to \$0.50 Deutsche marks and 7 DM the previous year. However, a final decision on the dividend policy will not be taken by the supervisory board until the end of January. In November, Thyssen also reported that sales declined 2.9 per cent in fiscal 1977 to 19.8 billion DM.

### Oilfield's Reserves Revised

Thomson Organization Ltd. reports that recoverable oil reserves from the Piper oilfield in the British sector of the North Sea have been revised downward to 618 million barrels from the previous estimate of 695 million barrels. Reserves of the Claymore field are now put at 404 million barrels compared with 410 million barrels previously estimated. Thomson North Sea

Ltd., a unit of Thomson Organization, has a 20-per-cent interest in both the fields. A unit of Occidental Petroleum is operator for the fields. Occidental has a 38.5-per-cent interest in the fields. Getty Oil has a 23.5-per-cent interest and Allied Chemical holds 20 per cent.

### Humana Gets 51.6% of Medicorp

Humana Inc., a hospital care firm, has received about 9.38 million shares of American Medicorp, which operates general hospitals. Humana says it will buy 5.7 million of the shares on a pro rata basis, giving it a 51.6-per-cent share of the company. Humana had offered to buy 5.7 million shares at \$15 cash plus half of a new \$1.50 cumulative preferred Humana share for each Medicorp share.

### R.J. Reynolds Sees Profits Rising

R.J. Reynolds Industries expects 1977 net earnings to range between \$8.15 and \$8.25 a fully diluted share, including a non-recurring gain of \$1.07 a share from its nationalized petroleum operations in Kuwait. In 1976, the company earned \$6.89 a fully diluted share. Reynolds believes 1978 will be "another year of progress," with capital expenditures of more than \$600 million, almost twice the 1977 level. R.J. Reynolds Tobacco Co. increased its market share modestly in an "intensely competitive year," the company says, adding that it continued its strong performance in the low-tar category, the fastest growing industry sector.

### Negotiators Said to Be Far Apart

## U.S. and Japan Stymied on Trade Pact

By William Chapmar

TOKYO, Jan. 12 (WP).—Trade negotiators for the United States and Japan were stymied today in their attempts to reach agreement on a joint statement that they had hoped would resolve their four-month-old trade confrontation.

Sources on both sides of the prolonged dispute said there was a considerable gap between the negotiators hoping to draft a communiqué acceptable to both countries.

About 14 hours before they were scheduled to make public the fence-mending communiqué, a U.S. official involved in the talks said, "I think we can have a good agreement, but there may not be an agreement at all."

A Japanese source expressed the same opinion.

The American side was pressing

for specific commitments on future tariff reductions, on the importation of U.S. agricultural commodities and on a timetable for eliminating the large Japanese trade surplus with the United States.

The Japanese reportedly agreed in principle with those goals, but were refusing to write them into an agreement with the specificity that would satisfy Robert Strauss, the special U.S. trade representative.

Vague Language Refused

Mr. Strauss, according to the U.S. official, is adamantly refusing to accept vague language "that only says that they (the Japanese) will do their utmost to be very good."

Japan's negotiators, on the other hand, are concerned that acceptance of the specific, detailed language sought by the United States would be politically disastrous because it would appear that they had knuckled under to U.S. pressure.

Mr. Strauss's aides have been here all week trying to work out a formula for settling the dispute that began last fall with U.S. demands that Japan increase imports and take other measures to eliminate its huge trade surplus.

Neither side expected all of the differences to be resolved, but both wanted an agreement on paper that would end the months of strained exchanges and chart a new path of cooperation. With that statement underlying a series of redraftings, they are still far from their goal.

Seeks Timetable

Mr. Strauss reportedly is demanding a timetable for moving toward what was called "equilibrium" in trade between the countries. The United States is running a total trade deficit with Japan of about \$8.5 billion, and Mr. Strauss's chief aide, Alan Wolff, said that it will probably increase next year.

The Japanese were said to accept "equilibrium" as a distant goal but are refusing to put that into the specific form of time that Mr. Strauss wants.

Mr. Strauss is also asking the Japanese to set forth now the specific tariff reductions they intend to offer in the multilateral trade negotiations which open later this month in Geneva.

Japan's negotiators were replying that they prefer to save those specifics for the bargaining table at Geneva.

Mr. Strauss also was said to

### Company Reports

Revenue, Profits in Millions of Dollars

#### Chemical New York

Fourth Quarter 1977 1976

Profits ..... A 25.51 27.05

Per Share ..... A 1.83 1.98

Profits ..... B 27.34 25.43

Per Share ..... B 1.74 1.75

Year

Profits ..... A 105.50 92.40

Per Share ..... A 7.00 6.33

Profits ..... B 102.29 92.80

Per Share ..... B 6.81 6.40

#### First National Boston

Fourth Quarter 1977 1976

Profits ..... A 14.22 11.31

Per Share ..... A 1.16 0.92

Profits ..... B 14.22 11.55

Per Share ..... B 1.17 0.95

Year

Profits ..... A 46.80 42.98

Per Share ..... A 3.85 3.55

Profits ..... B 46.23 43.50

Per Share ..... B 3.81 3.50

#### National Detroit

Fourth Quarter 1977 1976

Profits ..... A 17.10 14.10

Per Share ..... A 1.41 1.18

Share dil. .... A 1.28 1.06

Profits ..... B 17.10 15.05

Per Share ..... B 1.42 1.27

Share dil. .... B 1.28 1.14

Year

Profits ..... A 56.80 52.30

Per Share ..... A 4.71 4.38

Share dil. .... A 4.28 3.95

Profits ..... B 57.80 51.12

Per Share ..... B 4.80 4.30

Share dil. .... B 4.35 3.98

A—Before Securities Transactions  
B—After Securities Transactions

## Slump Ends On Technical Stock Rally

### Fed's Dollar Action Said to Help Market

NEW YORK, Jan. 12 (REUTERS).—A seven-day stock market slump ended today as investors snapped up some bargains in a generally more favorable investment climate. Trading was active.

But the rally, termed technical by analysts, was unimpressive, despite better news on the dollar in foreign exchange markets and improved unemployment and inflation figures.

The Dow Jones Industrial average closed ahead 2.25 points to 778.15. It was up 4.59 at 3 p.m.

Some 745 issues gained with about 500 lower, and volume totaled 23.73 million shares compared with 22.8 million yesterday.

Analysts said the market moved higher on a combination of factors, including the Federal Reserve's intervention today in foreign exchange markets which helped the U.S. currency advance sharply in London.

But basically, analysts said, investors continue to express concern over the energy outlook and the fate of the conservation bill stalled in Congress.

President Carter, commenting on the issue at a press conference, urged speedy passage of the bill which he said was a prerequisite to cut the United States loose from dependence on imported oil. This, he said, has been the major cause of the dollar's problems.

A Federal Reserve report of a \$4.1-billion rise in basic money supply during the latest statement week came after the market close.

Budd Co. was the Big Board's volume leader, ending 1/2 at 31 1/4. The company said it received a merger offer from West Germany's Thyssen AG at \$24 a share.

Culligan was the NYSE's biggest percentage gainer, up 3 at 13 3/4. Beatrice Foods has offered to acquire the company, Sysco-Domier, another big gainer, jumped 1 1/2 to 8 1/4 on a Leeds & Northing Co. acquisition proposal. Leeds dropped 3 to 21 5/8.

## U.S. Firms Cut Outlays To 4.5 Per Cent in '78

WASHINGTON, Jan. 12 (REUTERS).—U.S. companies are planning to increase spending on new plant and equipment this year by a real 4.5 per cent—an increase that Commerce Secretary Juanita Kreps said is not high enough "to fully meet the requirements of a complete return to high employment with reasonable price stability."

The "real" 4.5-per-cent figure is the level of planned investment

## Price Index Rises in U.S.

WASHINGTON, Jan. 12 (AP).—Sharply rising food costs pushed up the government's new index of wholesale prices by 0.7 per cent last month, nearly twice the November increase, the government reported today.

Food prices jumped 1.5 per cent in December, marking the biggest rise in seven months and signaling higher prices in the coming months for grocery shoppers. Changes in wholesale food prices usually show up in retail stores within a matter of weeks.

The 0.7-per-cent rise in wholesale prices last month compared with an increase of 0.4 per cent in November and a rise of 0.8 per cent in October. During the summer, these prices had risen only moderately or not at all.

In the December report, the Labor Department changed the way it measures wholesale prices to provide what the department said is a more reliable measure of inflation at the wholesale price level.

The new method focuses on prices of finished goods, such as automobiles, furniture, farm equipment and food ready for sale in supermarkets.

In the past, the government measured wholesale costs by using the prices of goods in the various stages of the production pipeline—a system that often resulted in a duplication of price changes as a particular product was transformed from raw material to finished product.

Last month, the finished goods index stood at 185.5, meaning that it cost wholesalers \$185.50 for the same goods purchased for \$100 in the 1967 base period.

after adjustment for inflation, the Commerce Department said, and follows a real increase last year of 8 per cent.

Without adjustment for inflation, the figures would be 10.1 per cent and 13.7 per cent, respectively.

Commenting on the expected decline in outlays, Mrs. Kreps said that "quick enactment of a meaningful energy policy would sweep away a major area of uncertainty which currently is retarding business investment."

She added that the business and personal tax reductions that President Carter is expected to propose shortly "are essential to sustain consumer demand and give business the incentive to invest."

Mrs. Kreps's statement did not mention a specific investment target. The administration has considered investment growth of from 8 to 10 per cent in real terms as needed to sustain strong general economic expansion.

The department said businesses plan to spend \$150.89 billion on capital spending this year, 10.1 per cent above last year's figure of \$137.02 billion, before adjustment for inflation.

The department said that companies participating in its annual survey of capital spending estimated that their price increase for capital goods purchased in 1977 was 8 per cent and they expect a similar increase this year.

The department noted that while little is known about how respondents estimate price changes, their estimates have been generally higher than price rises as measured by a Commerce Department inflation index. That index showed prices for fixed nonresidential investment rose 5.5 per cent in 1977.

The department said manufacturing industries plan to spend \$67.25 billion this year, up 10.4 per cent from \$61.03 billion in 1977 before adjustment for inflation. Last year spending in that category rose 18.3 per cent.

Durable goods makers' spending is slated to rise 11.7 per cent after a 19.3-per-cent rise last year while nondurable goods businesses plan a 9.5-per-cent increase after a 13.8-per-cent rise in 1977, before adjustment for inflation.



## The man with exceptional goals needs an exceptional bank.

What makes Trade Development Bank exceptional? To start with, there is our policy of concentrating on things we do unusually well. For example, trade and export financing, foreign exchange and bank notes, money market transactions and precious metals.

Geographically, too, we work mainly in areas where we have something special to offer. This includes the U.S.A. (our U.S. affiliate, Republic National Bank of New York, is now one of America's 60 largest banks). It also includes a number of

countries which, frankly, many other banks lack the first-hand knowledge to tackle properly.

What's more, we keep our back-office systems running abreast of our business. You don't notice this directly, but it shows up in quicker decisions and fewer errors.

Serving our clients well has helped us grow uncommonly fast. Today, we're big enough to provide most of the sophisticated facilities of the international banking giants—but lean enough not to keep you waiting for decisions.

As part of the Trade Development Bank Holding Group (\$3.6 billion in assets; \$327.4 million in capital and loan funds employed, as of June 30, 1977), we're ready to serve you in most of the world's financial centers.

Key Group offices: Geneva, London, Paris, New York (Republic National Bank of New York). Other offices in Beirut, Bogotá, Buenos Aires, Caracas, Chiasso, Frankfurt, Luxembourg, Mexico City, Montevideo, Nassau, Panama City, Rio de Janeiro, São Paulo, Tokyo.

## Trade Development Bank

Trade Development Bank (France) S.A., located at 20, Place Vendôme, Paris, offers clients a full range of international banking services.

Handwritten signature: *John J. ...*



- 12 Month - Stock	Sls.		C/rse	- 12 Month - Stock	Sls.		C/rse	- 12 Month - Stock	Sls.		C/rse
High Low Div in \$	Yld. P/E 100s.	High Low Quot	Prev. Close	High Low Div in \$ Yld. P/E 100s.	High Low Quot	Prev. Close		High Low Div in \$ Yld. P/E 100s.	High Low Quot	Prev. Close	

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JAN. 12, 1978

(in French)

## LATEST COMPANY NEWS

COMPANY	INDUS	1977 HIGH-LOW	CLOS. PRICE Jan. 12	HIGH-LOW MON.-WED.	P/E	YIELD (%)	EARN. PER SHR.-74, 75, 76	SHARES OUTST.	LATEST COMPANY NEWS	
AQUITAINE	380-26	275	313.50	223 - 319.50	5	5.1	89.74 - 83.00 - 55.60c	14,774	1st semester '77 net non-consolidated loss of 8.5 MF.	
BOUYGUES	Construct.	470	237	342 - 375	11	5.9	50.78 - 57.70 - 30.34c	690	1st 9 months '77 gross turnover - 2,851 MF vs. 1,405 MF (+102%).	
DSN GERVAIS DANONE	Glass, food	332	- 331.50	372 - 370	18	6.8	28.23 - 34.39 - 20.13c	2,339	Gross turnover (Jan. 1-Sept. 30) = 9,610 MF vs. 6,667 MF (+11%).	
CHARGEURS REUNIS	Shipping	177	129	141 - 145.10 - 142	11	8.3	16.96 - 16.47 - 13.34	1,866	Subsidiary Cle. Maritime sales 9 months = 2.6 MF vs. 17.6 MF (down 85%).	
CHIMIQUE ROUTIERE	Public works	115	- 81.50	92.50	4	8.0	11.18 - 18.82 - 24.40c	1,672	30% of 1st 9 mos. consolidated turnover (4,335 MF) from foreign subsidiaries.	
CREDIT COMM. FRANÇ.	Bank	185	84	101.80 - 99.50	7	7.3	10.36 - 15.85 - 14.08c	5,759	New CCF branch opening in Beirut at Gherfar Center.	
CREDIT INDUST. COMM.	Bank	105	72.50	77 - 78.20 - 77.90	9	8.4	6.77 - 10.84 - 8.74	4,508	As of Oct. 31, '77, C.I.C. groups its customer deposits totalled Fr. 43.5 billion.	
REUSOT-LOIRE	Heavy ind	98	53	53 - 56.80 - 53.20	-	15.1	26.13 - 9.62 - 5.56c	1,684	1st 9 mos. '77 turnover (40,489c) = 4,889 MF (+10% vs. same period '76).	
URAFRANCE	Holding	190	124	157 - 162 - 158	3	7.8	- - 36.50 - 54.30c	2,193	Sept. '76-Sept. '77 net profit = 44.6 MF vs. 27.25 MF (+64%).	
ERODO S.A.F.	Equip. autom.	412	296	368 - 376.10 - 358	5	5.1	23.02 - 29.27 - 72.01c	1,545	'77 group consol. results (with Paris-Rhône-Cluse) with 7% increase.	
GEN. OCCIDENTALE	Holding	192.50	165	178 - 178.50 - 178	6	3.1	- - 26.94 - 30.81c	2,804	'76-'77 group consolidated turnover = 14,626 MF vs. 14,495 MF for '75-'76.	
METAL	Milino	76.10	- 52.50	59.90 - 50	3	6.2	17.97 - 2.46 - 21.51c	7,944	Penarroya 1st sem. '77 turnover = 799 MF (vs. 572 MF, 1st sem. '76).	
HOET-HENNESSY	Beverag.	451.50	268	345 - 357 - 340	27	24	17.84 - 57.1 - 12.71c	3,150	Consol. turnover 1st 9 mos. '77 = 1,894 MF vs. 866 MF in '76 (+14%).	
ORD (Compagnie du)	Holding	22.10	15.50	16.48 - 16.70 - 14.40	10	9.2	0.18 - 0.29 - 1.73	12,824	'1977 net results to at least extent that of 1976 (20 MF).	
SCHELBRONN	Hold (fin.)	71.60	63	66.50	18	9.8	6.50 - 10.76 - 6.70c	2,385	1976 net dividend proposed = Fr. 6 same as 1975).	
CHINNEY-UG-KUHLM.	Chem, min	70	62.10	71.50	72.80 - 71	12	7.8	7.90 - 4.30 - 6.30c	6,004	Group '77 turnover comes to 26 billion Fr. (up 10%).
SA PEUGEOT-CITROEN.	Holding	323.50	- 201	269 - 238.50	2	3.8	38.24 - 54.71 - 137.96c	9,644	Peugeot-Citroen sales to Egypt (1380) and Sudan (1500), all model 261.	
FFINAGE (Cle. Fr.)	Petrol	89.90	- 56.50	60.20	64	-	62.58	-	5,450	1st 9 mos. '77 net profit = 177 million of francs reduced up 11.1% vs. 1976.
EDOUTE	Mail order	628	- 470	465.10	499 - 480	10	2.7	35.87 - 45.57 - 47.86c	726	Group consol. turnover (Jan. 1-Nov. 30, '77) = 9,610 MF vs. 6,667 MF (+11%).
HONE-POULENC	Chemicals	83.70	50	51.10	53.40 - 51.60	8	11.7	4.02 - 5.80 - 6.34	18,941	1st semester group turnover = 12,304 MF (up 16%).
OBECO	Investm. Comp.	384	337.40	330	325.50 - 332	-	7.1	(not relevant)	22,572	Subsidiary Interim dividend up from Fr. 7.40 to Fr. 7.60.
KIS ROSSIGNOL	Ski manuf.	1918	7225	1610 - 1658 - 1528	18	1.6	71.76 - 75.76 - 87.48	266	42,520 new shares for shareholders (1 for 4) valid as of April 1st, 1977.	

(b) Tax credit not included.

C: Consolidated.

1494 99% GAINV	1,226	12	56	1014	1014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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**1978**  
is our 32nd  
consecutive  
year of cash  
dividend  
payments

The 1978 first quarter dividend of 50¢  
per share on the Common Stock will be  
paid March 14 to stockholders of  
record on February 10. More than  
233,000 stockholders will share in our  
earnings.

**M.H. COVEY, Secretary**

**Natural Gas Pipelines • Oil • Automotive Parts  
Shipbuilding • Construction & Farm Equipment • Chemicals  
Packaging • Agriculture & Land Management**

## 30. See what the home office has to say.

(An international call means business.)  
 "Long Distance is the next best thing to being there."

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Managed by

<b>Compagnie Financière de la Deutsche Bank AG</b>		<b>The Bank of Tokyo, Ltd.</b>
<b>Banque Nationale de Paris</b>	<b>Compagnie Luxembourgeoise de la Dresdner Bank AG – Dresdner Bank International –</b>	
<b>Credit Suisse</b>	<b>IBJ International Limited</b>	<b>Manufacturers Hanover Limited</b>
<b>Mitsubishi Bank (Europe) S.A.</b>	<b>National Westminster Bank Limited</b>	
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<b>Banque de Paris et des Pays-Bas</b>	<b>The Dai-ichi Kangyo Bank Limited</b>	
<b>European American Bank &amp; Trust Company</b>	<b>Midland Bank Limited</b>	
<b>Société Générale</b>	<b>Société Générale de Banque S.A.</b>	<b>Toronto Dominion Bank</b>

**Co-Managed by**

Compagnie Générale de Banque du Canada		Toronto Dominion Bank	
Provided by			
Compagnie Financière de la Deutsche Bank AG	The Bank of Tokyo, Ltd.	Banque Nationale de Paris	
Compagnie Luxembourgeoise de la Dresdner Bank AG	Credit Suisse	The Industrial Bank of Japan Limited	
- Dresdner Bank International -			
Manufacturers Hanover Trust Company	Mitsubishi Bank (Europe) S.A.	International Westminster Bank Limited	
Amsterdam-Rotterdam Bank N.V.	BfG Luxembourg	Banque de Paris et des Pays-Bas	
The Dai-ichi Kangyo Bank Limited	European American Bank & Trust Company	Midland Bank Limited	
Société Générale	Société Générale de Banque S.A.	Toronto Dominion Bank	The Sumitomo Bank, Limited
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## But Morton Appears Untroubled

## Numbers All Bad For Signal-Caller

By Dave Anderson

NEW ORLEANS, Jan. 12 (AP)—Nobody is asking Craig Morton about how many touchdowns he has thrown as Denver Broncos quarterback. Questions usually involve numbers—his \$38,000 base salary and his \$44,935 federal income tax.

And any time a player is in a financial bind, Morton is in a bind. "I'm not in a bind," says Jack Danahy, the National Football League's security director. "I'm not in a bind."

When somebody suggested Morton might try to get out of the game, Morton said, "I'm not in a bind."

When Morton's phone calls at the Super Bowl were not answered, Morton said, "I'm not in a bind."

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Craig Morton

Denver Broncos offensive line coach Ken Gray, right, and head coach Red Miller, left, look on as Morton looks at the Super Bowl game plan.

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Super Bowl XII  
COWBOYS BRONCOS

12-2	Season's Record	12-2
345	Points—For	274
212	Points—Against	148
372	Passes attempted	313
215	Passes completed	163
10	Had intercepted	12
38.7	Average yardage per punt	39.2
2369	Total yards rushing, net	2043
2443	Total yards gained passing, net	1863
14	Own Fumbles lost	15
29	Opponents Fumbles Recovered	4
18	Field goals attempted	9
	Field goals	13

Steve Ramsey, a quarterback the Giants eventually discarded.

"I'm more patient as a quarterback now," he said. "The last couple of years in New York, that was kind of forced upon me."

But he was careful not to knock the Giants organization. He also avoided any criticism of the Cowboys organization.

"Roger (Staubach) and I are not rivals," he said. "We never have been. We were just competing for the same position and the coach chose him."

One of Craig Morton's most impressive wedding gifts two months ago arrived from the Staubachs—an expensive crystal prism.

"That was a special gift," Craig Morton said. "My marriage has

changed my life. About six months ago I started dating a girl I'd known for many years, Susie Sir-

men, who's a strong Christian and I've really accepted the Lord through her. I didn't accept the Lord to be a number one quarter-

back. I accepted him for my life."

Once a swinger known as the Prince of Greenville Avenue, a Dallas disco area, Craig Morton lived from day to day. But now, his friends say, he has continuity to his life. He also has debts.

"But there's no pressure on me because of the money situation," Craig Morton said. "I've got some things I'm unloading to pay the debts. I'm going to pay. That's the price for living in this country."



Dallas lineman Harvey Martin works out with weights.

## NFL Kickers Dispute Meteorological Issues

By William N. Wallace

NEW ORLEANS, La., Jan. 12 (AP)—The contending teams for Sunday's indoor Super Bowl game are holding various outdoor practices in what is considered bitter cold for this chummy environment, with temperatures in the 30s.

The routine practices are not in the Superdome, the site of the game, but outdoors, the Dallas Cowboys on grass at the Saints' practice field in suburban Metairie and the Denver Broncos on a synthetic turf at Tulane Stadium.

Danny White, the Dallas punter and backup quarterback, said through chattering teeth, "I wish we could practice in the Superdome." That will not be allowed for either team this week.

White's purpose was not only to stay warm but to test the facility for kicking purposes. Some say the indoor air of the Superdome is "dead" and it affects kicking, reducing the distance.

## Divergent Views

The four Super Bowl kickers, White and Efron Herrera of the Cowboys, and Jim Turner and Bucky Ditts of the Broncos, were asked about that and not surprisingly their views were divergent. Taken as a group, kickers are suspicious, sometimes irrational and usually in disagreement about their own kicking.

With regard to alleged dead air, they lined up on opposite sides and not according to their uniforms. Turner, the Broncos' 36-year-old placement kicker, is convinced that field-goal attempts indoors will not travel as far as those outdoors. "You're shorter by about 5 yards," he said.

White, the Dallas punter, agreed. "The air seems to press down on the ball," he said. "I've kicked in the Superdome a few times and I've always felt it was a handicap."

Dallas rookie Denver punter, said, "No way. You start thinking that way and you just mess yourself up. You have to think positively."

Herrera, the third leading scorer in the league, said, "I've kicked in the Superdome a few times and I've always felt it was a handicap."

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Roger Staubach jogging in chilly New Orleans weather.

## Dutch, Brazilians Win Seeds In World Cup Soccer Groups

BUENOS AIRES, Jan. 12 (AP).

—Brazil and the Netherlands were chosen today as group leaders for first-round matches of the 1978 World Cup soccer playoffs.

Argentina and West Germany had been selected previously.

The announcement was made by René Courte of France, press chief of the International Federation of Football Associations (FIFA).

A five-hour meeting of the federation's organizing committee.

Soccer officials and federation representatives of the 16 national teams that will compete in Argentina starting June 1 are in Buenos Aires for Saturday's drawing to determine which teams will play in which four groups.

Dutch-Hallian Rivalry

Italy had been battling behind the scenes for the leadership of Group A. But Toffin Salinas Fuller, president of the South American Football Federation, said Italy agreed in the meeting to let the Dutch lead the group on a guarantee that Italy would play in Buenos Aires in Group 1, headed by Argentina.

Buenos Aires is the largest of the five cities where the first-round playoffs will be held, and will attract the most fans.

Courte confirmed the compromise agreement, saying it had been based on "sporting and economic points of view."

The other teams will draw lots at Saturday's drawing to determine their groups.

The Kings' match will be played in Buenos Aires on June 1 between West Germany, the 1974

champion, and a team to be selected in Group 1.

Courte said that in order to have two European teams in each group, Scotland, Poland and Spain would draw lots for seeding in Groups 2, 3 and 4.

Latin Seedings

Then Peru and Mexico will draw lots for seedings in Groups 2 and 4. Courte said that this would assure that each group would have one Latin American team.

Hungary and Sweden, considered soccer powers, will draw lots for seedings in Groups 1 and 3, he said.

France and Australia will draw lots for Groups 1, 2, 3 or 4.

Argentina, as the Group 1 leader, will be playing in Buenos Aires.

West Germany's Scepter for the inaugural match will be playing its preliminary Group 2 matches in Cordoba, 800 kilometers to the northwest.

Brazil will play all of its preliminary Group 3 matches in the Atlantic resort of Mar del Plata, 400 kilometers to the south.

The Netherlands, as Group 4 leader, will be in Mendoza, a wine-growing community 1,200 kilometers to the west.

Grant Aids NHL Kings

BUFFALO, N.Y., Jan. 12 (AP).—Danny Grant, playing his first game for Los Angeles after being acquired from Detroit, scored a goal and assisted on another as the Kings tied the Buffalo Sabres, 3-3, last night in NHL action.

"I'll throw," he said, "if the arm comes off."

In the seventh game Johnny Pesky lined out to Slaughter with runners on second and third. Slaughter threw, the arm didn't come off, the runners didn't advance. That was the top of the eighth inning, and the score was 3-3 when Slaughter led off the home half with a single. He stayed on first while two men went out.

Then Harry Walker hit a dying ball to Jerry Carter. Slaughter put his head down and ran. The left fielder approached the ball thoughtfully and lobbed a throw to Pesky who had gone out from shortstop to take the relay.

Slaughter was still running. If anyone shouted a warning to Pesky, he was drowned out by the crowd. Slaughter ran on. Pesky turned, and with a start saw Slaughter still running. Johnny's off-balance throw was short. The catcher had to move up to field it. Slaughter ran in behind him with the run that won the championship of the world.

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## NFL Standings

## CAMPBELL CONFERENCE

## Patrick Division

	W	L	T	Pts	GF	GA
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Philadelphia	25	9	6	168	100
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N.Y. Islanders	22	10	5	144	104
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Atlanta	15	11	4	119	127
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N.Y. Rangers	14	15	3	139	141
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	W	L	T	Pts	GF	GA
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Chicago	14	15	1	103	109
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Vancouver	12	19	9	117	154
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Colorado	12	19	5	104	145
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St. Louis	9	26	3	92	156
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Minnesota	9	26	2	106	170
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	W	L	T	Pts	GF	GA
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Montreal	25	9	6	158	86
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Los Angeles	17	14	9	194	
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